

DISTRICT OF COLDSTREAM

BYLAW NO. 1581, 2011

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A BYLAW TO ADOPT THE FINANCIAL PLAN FOR THE YEARS 2011 - 2015

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WHEREAS in accordance with Section 165 of the *Community Charter*, the Council is required, by bylaw to adopt a Financial Plan for the municipality before the fifteenth day of May in each year;

NOW THEREFORE, the Council of the District of Coldstream in open meeting assembled hereby enacts as follows:

1. Schedules "A", "B" and "C" attached hereto and forming part of this bylaw is the 2011 – 2015 Financial Plan of the District of Coldstream for the period beginning January 1, 2011 and ending December 31, 2015.
2. This bylaw may be cited for all purposes as "DISTRICT OF COLDSTREAM FINANCIAL PLAN BYLAW NO. 1581, 2011".
3. This bylaw shall come into force and take effect upon the final reading and adoption thereof.

READ A FIRST TIME this	24 <sup>th</sup>	day of	January	2011
READ A SECOND TIME this	24 <sup>th</sup>	day of	January	2011
RESCIND SECOND READING this	28 <sup>th</sup>	day of	March	2011
READ A SECOND TIME AS AMENDED this	28 <sup>th</sup>	day of	March	2011
READ A THIRD TIME this	28 <sup>th</sup>	day of	March	2011
FINALLY PASSED AND ADOPTED this	11 <sup>th</sup>	day of	April	2011



Corporate Officer



Mayor

Attachments: Schedule A  
Schedule B  
Schedule C

DISTRICT OF COLDSTREAM  
CONSOLIDATED STATEMENT OF OPERATIONS  
FIVE YEAR FINANCIAL PLAN 2011-2015

Schedule A

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget
<b>REVENUES</b>					
Municipal Taxation, net	4,287,404	4,474,447	4,671,245	4,878,281	5,096,060
Utility Taxes/Grants In Lieu	129,858	136,351	143,168	150,327	157,843
Sale of Services	26,500	27,163	27,842	28,538	29,251
Revenue From Own Sources	489,500	497,743	506,191	514,851	523,727
Grants	2,159,946	774,709	774,709	774,709	774,709
Sewer User Fees	1,327,265	1,360,108	1,393,773	1,428,280	1,463,649
Development cost charges	860,118	-	-	-	-
	<u>9,280,591</u>	<u>7,270,520</u>	<u>7,516,928</u>	<u>7,774,985</u>	<u>8,045,240</u>
<b>EXPENSES</b>					
General Government Services	942,126	880,491	902,093	934,748	946,970
Protective Services	1,881,192	1,925,075	1,973,798	2,026,898	2,072,225
Transportation Services	2,844,964	2,868,944	2,914,927	2,961,966	3,010,124
Environmental Health Services	159,351	163,335	167,418	171,603	175,893
Development Services	330,188	333,590	342,015	350,657	359,520
Sewer Services	1,498,006	1,480,185	1,509,591	1,539,739	1,570,651
Fiscal Services	254,887	295,947	293,140	290,823	288,994
	<u>7,910,715</u>	<u>7,947,567</u>	<u>8,102,982</u>	<u>8,276,435</u>	<u>8,424,378</u>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<u>1,369,876</u>	<u>(677,047)</u>	<u>(586,053)</u>	<u>(501,450)</u>	<u>(379,138)</u>
<b>ADJUST FOR NON-CASH ITEMS</b>					
Amortization expense	1,571,596	1,571,596	1,571,596	1,571,596	1,571,596
Inventory expense	12,000	12,000	12,000	12,000	12,000
Prepaid expense	91,000	92,000	93,000	94,000	95,000
Interest accrual	37,620	46,660	44,890	43,060	41,170
	<u>1,712,216</u>	<u>1,722,256</u>	<u>1,721,486</u>	<u>1,720,656</u>	<u>1,719,766</u>
<b>TOTAL CASH FROM OPERATIONS</b>	<u>3,082,092</u>	<u>1,045,209</u>	<u>1,135,433</u>	<u>1,219,206</u>	<u>1,340,628</u>
<b>ADJUST FOR CASH ITEMS</b>					
Capital asset expenditures	(4,783,423)	(2,201,185)	(1,407,185)	(1,107,185)	(1,127,185)
Inventory expenditures	(12,000)	(12,000)	(12,000)	(12,000)	(12,000)
Prepaid expenditures	(91,000)	(92,000)	(93,000)	(94,000)	(95,000)
Debt principle repayment	(217,723)	(240,259)	(242,050)	(185,339)	(191,633)
Debt proceeds	-	950,000	-	-	-
Transfers from (to) Reserves	344,401	(158,342)	(99,605)	(350,814)	(331,960)
Transfers from (to) Surplus	1,677,652	708,577	718,407	530,131	417,149
	<u>(3,082,092)</u>	<u>(1,045,209)</u>	<u>(1,135,433)</u>	<u>(1,219,206)</u>	<u>(1,340,629)</u>
<b>FINANCIAL PLAN BALANCE</b>	<u>(0)</u>	<u>(0)</u>	<u>(0)</u>	<u>0</u>	<u>(0)</u>

DISTRICT OF COLDSTREAM  
CONSOLIDATED STATEMENT OF RESERVES  
FIVE YEAR FINANCIAL PLAN 2011-2015

Schedule B

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget
<b>REVENUE</b>					
Return On Investment	9,300	9,300	9,300	9,300	9,300
Transfers From Operations	367,182	373,342	374,605	375,814	376,960
	<u>376,482</u>	<u>382,642</u>	<u>383,905</u>	<u>385,114</u>	<u>386,260</u>
<b>EXPENDITURES</b>					
Transfer to Capital Projects	711,583	215,000	275,000	25,000	45,000
Transfer to (from) Surplus	(335,101)	167,642	108,905	360,114	341,260
	<u>376,482</u>	<u>382,642</u>	<u>383,905</u>	<u>385,114</u>	<u>386,260</u>
<b>SURPLUS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**DISTRICT OF COLDSTREAM  
REVENUE AND TAX POLICY DISCLOSURE  
FIVE YEAR FINANCIAL PLAN 2011-2015**

Schedule C

The District has determined the funding priority for revenues to be applied firstly to operations, secondly to infrastructure and thirdly to growth and opportunities. This priority is important based on the need to provide essential services and socially beneficial services to the community at a reasonable standard on an annual basis; the need to ensure assets supporting the services provided are adequately funded for replacement; and the need for a progressive approach to the District's future.

**FUNDING SOURCES**

In accordance with Section 165(7) of the Community Charter, the proposed funding sources for inclusion in the financial plan include property value taxes, parcel taxes, fees, other sources and proceeds from borrowing. The proration of these revenue sources for the District are comprised of the following:

Property Value Taxes	47.60%
Parcel Taxes	0.00%
Fees	14.59%
Other Sources	37.81%
Proceeds from Borrowing	<u>0.00%</u>
	100.00%

**Objective:**

- \* Over the next five years, the District will seek to increase the proportion of revenue that is received from user fees and charges

**Policies:**

- \* The District will review all user fee levels to ensure they are adequately meeting the costs of delivering the services provided.
- \* Where possible, the District will endeavor to supplement revenues from user fees and charges, rather than taxation.
- \* Aggressively seek available grants for projects to mitigate the potential impact on property taxation rates.

**DISTRIBUTION OF PROPERTY TAXES**

The Distribution of the property tax revenue across the different property classes is as follows:

CI 1	Residential	87.75%
CI 2	Utilities	1.87%
CI 4	Major Industry	5.15%
CI 5	Light Industry	1.57%
CI 6	Business/Other	1.54%
CI 8	Rec/Non-profit	0.22%
CI 9	Farm	<u>1.90%</u>
		100.0%

**Objective:**

- \* Over the next several years, reduce the share of property tax paid by Major Industry (class 4)
- \* In the longer term, ensure that the light industry and major industry rates are aligned with those of other competitive municipalities.

**Policies:**

- \* Where possible, supplement revenues from user fees and charges to help off set the tax burden of the property tax base.
- \* The class 2 rate will be set at the maximum rate as permitted under current legislation
- \* The District will seek to reduce the class 4 tax rate by 2.5% per year.
- \* The class 5 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 2.95 to 1
- \* The class 6 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 2.4 to 1
- \* The class 8 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 1.0 to 1
- \* The class 9 rate will be calculated as a multiplier of the residential rate. The District will seek to maintain this multiplier at a rate of 4.5 to 1

**PERMISSIVE TAX EXEMPTIONS**

The Annual Municipal Report contains a list of permissive exemptions granted for the taxation year and the amount of tax revenue foregone. This list demonstrates the policy of council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, social service organizations, community service organizations, cultural/educational organizations and recreational organizations.

**Objective:**

- \* The District will continue to provide permissive tax exemptions to Not For Profit organizations
- \* Over the next couple of years, the District will seek to expand its offering of permissive tax exemptions to include a tax revitalization program. The tax revitalization program will target development within the District based on the pre-defined neighborhood plans that have been developed.

**Policies:**

- \* Develop a revitalization tax exemption program which details the kinds of activities the program will target and the location of the targeted activities.
- \* Integrate the revitalization tax exemption program into the District's existing initiatives as a means of attracting retail and commercial businesses to further invest in the community.