

DISTRICT OF SEHEL T

2014-2018 Financial Plan Amendment Bylaw No. 531-1, 2014

A bylaw to amend the 2014-2018 Financial Plan

WHEREAS Section 165 of the *Community Charter* provides that Council shall adopt a Financial Plan;

NOW THEREFORE the Council of the District of Sechelt in open meeting assembled enacts as follows:

Title

1. This bylaw may be cited for all purposes as "District of Sechelt 2014-2018 Financial Plan Amendment Bylaw No. 531-1, 2014".

Provisions


2. Schedule A attached to and forming part of this bylaw is hereby adopted as the Amended Financial Plan of the District of Sechelt for the five-year period from 2014 to 2018.
3. The various items of expenditures set forth in Schedule A are hereby authorized.
4. Pursuant to Section 165 of the *Community Charter* the Council of the District of Sechelt has prepared a Statement of Revenue and Tax Policy as shown in Schedule B attached hereto and forming part of this bylaw.

READ A FIRST TIME THIS 3rd DAY OF September, 2014

READ A SECOND TIME THIS 3rd DAY OF September, 2014

READ A THIRD TIME THIS 3rd DAY OF September, 2014

ADOPTED THIS THE 1st DAY OF October, 2014



Mayor



Corporate Officer

Schedule A – Amended Five Year Financial Plan 2014-2018

	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget
OPERATING BUDGET					
REVENUES					
Property Taxes	\$ 6,981,766	\$ 7,051,583	\$ 7,122,099	\$ 7,193,320	\$ 7,265,253
Parcel and Frontage Taxes	471,323	471,323	471,323	471,323	471,323
Fees and Services	3,462,320	3,475,547	3,488,839	3,502,199	3,515,625
Other Revenues	371,847	372,346	372,848	373,352	373,859
Grants - Operating	842,670	842,670	842,670	842,670	842,670
Transfer from Reserves-one-time initiatives	600,500	-	-	-	-
NET REVENUES	12,730,426	12,213,469	12,297,779	12,382,864	12,468,730
EXPENDITURES					
Operations	14,247,496	14,604,563	14,707,168	14,811,826	14,933,577
Debt Payments - Sewer	392,784	801,844	824,046	846,863	870,312
Debt Payments - General Fund	210,186	210,186	191,284	172,383	172,383
Contributions to Sewer Fund Surplus	572,843	123,585	99,698	75,065	49,668
Contribution to Capital Reserves	83,772	83,279	85,570	86,714	52,778
TOTAL ANNUAL OPERATING EXPENDITURES	15,507,080	15,823,456	15,907,767	15,992,851	16,078,717
STRUCTURAL DEFICIT	(2,776,654)	(3,609,987)	(3,609,987)	(3,609,987)	(3,609,987)
Add Back Amortization	2,776,654	3,609,987	3,609,987	3,609,987	3,609,987
OPERATING SURPLUS/(DEFICIT)	(0)	-	-	-	-
Allocations from/(to) Unrestricted Surpluses	0	-	-	-	-
BALANCED OPERATING BUDGET	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL AND FUNDING BUDGET					
FUNDING FOR CAPITAL ITEMS					
Grants & Contributions	\$ 7,567,000	\$ -	\$ -	\$ -	\$ -
Gas Tax Funding	390,000	390,000	390,000	390,000	390,000
Long Term Loan	7,400,000	-	-	-	-
FUNDING FROM EXTERNAL SOURCES	15,357,000	390,000	390,000	390,000	390,000
FUNDING FROM INTERNAL SOURCES					
Operating Surpluses	5,250	-	-	-	-
Sewer Fund surplus	985,221	-	-	-	-
Amenity Contribution	123,000	-	-	-	-
Capital reserves	2,465,651	610,000	610,000	610,000	610,000
Development cost charges	1,738,000	-	-	-	-
FUNDING FROM INTERNAL SOURCES	5,317,122	610,000	610,000	610,000	610,000
TOTAL FUNDING FOR CAPITAL ITEMS	20,674,122	1,000,000	1,000,000	1,000,000	1,000,000
CAPITAL EXPENDITURES					
Wastewater Treatment	16,843,108	-	-	-	-
Other	3,831,014	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL CAPITAL EXPENDITURES	20,674,122	1,000,000	1,000,000	1,000,000	1,000,000
CAPITAL SURPLUS / (DEFICIT) for the year	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES					
Operating	\$ 15,507,080	\$ 15,823,456	\$ 15,907,767	\$ 15,992,851	\$ 16,078,717
Capital	20,674,122	1,000,000	1,000,000	1,000,000	1,000,000
	\$ 36,181,202	\$ 16,823,456	\$ 16,907,767	\$ 16,992,851	\$ 17,078,717

Schedule B
Amended Financial Plan Statement for 2014

Revenue Distribution

In accordance with section 165 of the *Community Charter*, the proportion of total operating revenue derived from each revenue source is as follows:

Revenue Source	2014 Total Revenue %
Property Taxes	54.84%
Parcel Taxes	3.70%
User Fees and Charges	27.98%
Other Sources	2.14%
Grants	6.62%
Transfers from reserves one-time projects	4.72%
Total	100.00%

Parcel Taxes:

Parcel taxes will be implemented whenever Council determines new services provided, are more appropriately funded by them, than assessment based taxes.

User Fees and Charges:

- User fees will be used to recover costs from those who benefit from services provided. The proportion of user fees to be recovered will vary with the service provided.
- The District of Sechelt regularly reviews its user fees and charges to ensure a correlation with actual costs.

Other Sources:

The District of Sechelt will continue to seek other sources of revenue to reduce its reliance on property taxes.

Proceeds from Borrowing:

Borrowing will be considered when a capital project will provide benefits to taxpayers over a long period.

Schedule B
Amended Financial Plan Statement for 2014

Transfers from Own Funds:

Pursuant to the District's financial policies, the District will build up reserves to fund major capital projects. This practice reduces the need for significant increases in taxation and minimizes the necessity for borrowing.

Distribution of Taxable Property Values

The 2014-2018 Financial Plan assumes property tax assessment values are at the same level as 2013.

Values for 2013 were distributed as follows:

Property Class	2013 Number of Properties	2013 Property Class Distribution	2013 Property Values by Class	2013 Property Value Distribution by Class	2012 Property Value Distribution by Class
1 - Residential	5,481	92.91%	\$1,988,194,937	92.61%	92.71%
2 - Utilities	28	0.47%	2,319,600	0.11%	0.11%
5 - Light Industry	15	0.25%	7,474,600	0.35%	0.30%
6 - Business/Other	308	5.22%	145,712,163	6.79%	6.68%
7 - Managed Forest	1	0.02%	366,000	0.02%	0.02%
8 - Rec/Non profit	38	0.64%	2,328,700	0.11%	0.16%
9 - Farm	28	0.47%	415,996	0.02%	0.02%
Total	5,899	100%	\$2,146,811,996	100%	100%

With residential properties making up 93% of the total number of properties, the majority of the current tax burden rests with this property classification.

Permissive Tax Exemptions:

The District of Sechelt believes that permissive tax exemptions are one method of placing more resources into not-for-profit organizations providing social services to the community. Council policy is to review all permissive tax exemptions annually. All applications for permissive tax exemptions are considered in accordance with the Permissive Tax Exemption Policy.