

DISTRICT OF SEHELTT

Name of Bylaw No. 552, 2016

A bylaw to adopt the 2016 – 2020 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 hereby enacts as follows:


Citation

1. This bylaw may be cited as “District of Sechelt 2016-2020 Financial Plan Bylaw No. 552, 2016”.


Provisions

2. Schedule A attached to and forming part of this bylaw is hereby adopted as the Financial Plan of the District of Sechelt for the five-year period from 2016 – 2020.
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	16th	DAY OF	March	2016
READ A SECOND TIME THIS	13th	DAY OF	April	2016
READ A THIRD TIME THIS	13th	DAY OF	April	2016
ADOPTED THIS	20th	DAY OF	April	2016



Mayor



Corporate Officer

Schedule A – Five Year Financial Plan 2016-2020

DISTRICT OF SEHELDT					
CONSOLIDATED					
FIVE YEAR FINANCIAL PLAN					
	2016	2017	2018	2019	2020
	Budget	Budget	Budget	Budget	Budget
OPERATING BUDGET					
REVENUES					
Property Taxes	\$ 7,478,910	\$ 7,628,488	\$ 7,781,058	\$ 7,936,679	\$ 8,095,413
Parcel and Frontage Taxes	423,755	425,651	427,556	429,470	431,395
Fees and Services	4,017,919	4,064,946	4,140,739	4,225,874	4,276,535
Other Revenues	635,385	593,913	611,729	630,401	649,973
Grants - Operating	1,047,867	1,871,538	998,867	2,998,867	998,867
Transfer from Reserves-one-time initiatives	707,500	-	-	-	-
NET REVENUES	14,311,336	14,584,536	13,959,949	16,221,292	14,452,183
EXPENDITURES					
Operations	16,325,863	15,788,065	15,922,144	15,929,170	16,053,637
Debt Payments - Sewer	740,770	740,770	740,770	740,770	740,770
Debt Payments - General Fund	353,278	313,568	360,360	364,680	380,167
Contributions to Sewer Fund Surplus	88,342	965,776	148,047	2,205,932	228,938
Contribution to General Reserves	243,337	248,203	253,167	258,231	263,395
Contribution to Capital Reserves	446,351	453,625	460,932	647,980	710,747
TOTAL ANNUAL OPERATING EXPENDITURES	18,197,942	18,510,007	17,885,420	20,146,763	18,377,654
Expenses over Revenues (deficit)	(3,886,605)	(3,925,471)	(3,925,471)	(3,925,471)	(3,925,471)
Add Back Amortization	3,886,605	3,925,471	3,925,471	3,925,471	3,925,471
OPERATING SURPLUS/(DEFICIT)	(0)	0	(0)	(0)	(0)
Allocations from/(to) Unrestricted Surpluses	0	(0)	0	0	0
BALANCED OPERATING BUDGET	\$ -	\$ -	\$ -	\$ -	\$ -
CAPITAL AND FUNDING BUDGET					
FUNDING FOR CAPITAL ITEMS					
Grants & Contributions	\$ -	\$ 866,667	\$ 1,000,000	\$ 1,000,000	\$ -
Gas Tax Funding	-	-	-	-	-
Borrowing	234,000	185,000	340,000	79,000	95,000
FUNDING FROM EXTERNAL SOURCES	234,000	1,051,667	1,340,000	1,079,000	95,000
FUNDING FROM INTERNAL SOURCES					
Operating Surpluses	847,434	2,213,000	150,000	50,000	50,000
Sewer Fund surplus	506,500	433,333	500,000	500,000	500,000
Capital reserves	717,312	662,000	600,000	674,000	712,000
Development cost charges	342,829	1,950,000	1,650,000	50,000	-
Developer contribution	282,638	-	-	-	-
FUNDING FROM INTERNAL SOURCES	2,696,713	5,258,333	2,900,000	1,274,000	762,000
TOTAL FUNDING FOR CAPITAL ITEMS	2,930,713	6,310,000	4,240,000	2,353,000	857,000
CAPITAL EXPENDITURES					
Water Resource Centre	-	-	-	-	-
Other	2,930,713	6,310,000	4,240,000	2,353,000	857,000
TOTAL CAPITAL EXPENDITURES	2,930,713	6,310,000	4,240,000	2,353,000	857,000
CAPITAL SURPLUS / (DEFICIT) for the year	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES					
Operating	\$ 18,197,942	\$ 18,510,007	\$ 17,885,420	\$ 20,146,763	\$ 18,377,654
Capital	2,930,713	6,310,000	4,240,000	2,353,000	857,000
	\$ 21,128,655	\$ 24,820,007	\$ 22,125,420	\$ 22,499,763	\$ 19,234,654

Schedule B – Financial Plan Statement for 2016

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	2016 Total Revenue %
Property Taxes	52.26%
Parcel Taxes	2.96%
User Fees and Charges	28.08%
Other Sources	4.44%
Grants	7.32%
Transfers from reserves one-time projects	4.94%
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 – Financial Plan Statement for 2016

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 2016-2020 Financial Plan assumes property tax assessment values at the 2016 BC Assessment Completed Roll.

Values for 2016 were distributed as follows:

Property Class	2016 Number of Properties	2016 Property Class Distribution	2016 Property Values by Class	2016 Property Value Distribution by Class	2015 Property Value Distribution by Class
1 – Residential	5,679	92.83%	\$2,136,121,624	92.52%	92.32%
2 - Utilities	25	0.41%	2,530,600	0.11%	0.12%
3 – Supportive Housing	2	0.03%	2	0.00%	0.00%
5 - Light Industry	14	0.23%	5,579,000	0.24%	0.23%
6 - Business/Other	322	5.26%	157,054,974	6.80%	7.14%
7 - Managed Forest	1	0.02%	3,013,000	0.13%	0.02%
8 - Rec/Non profit	38	0.62%	4,028,500	0.17%	0.15%
9 - Farm	37	0.60%	403,451	0.03%	0.02%
Total	6,118	100%	\$2,308,731,151	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.