

**DISTRICT OF CHETWYND
BYLAW NO. 1133, 2021**

A Bylaw to adopt the Financial Plan for the Years 2021 – 2025

WHEREAS, pursuant to Section 165 of the Community Charter, the Council shall, before the 15th of May in each year, adopt a financial plan;

NOW THEREFORE the Council of the District of Chetwynd, in an open meeting assembled, enacts as follows:

1. Those schedules marked as Schedule “A” and “B” attached hereto, and forming part of this bylaw, are hereby declared to be the Financial Plan for the District of Chetwynd for the period January 1, 2021 to December 31, 2025.
2. This Bylaw may be cited for all purposes as “District of Chetwynd Financial Plan 2021 – 2025 Bylaw No. 1133, 2021”.

Read a first time this 3rd day of May, 2021.

Read a second time this 3rd day of May, 2021.

Read a third time this 10th day of May, 2021.

ADOPTED THIS 12th day of May, 2021.

ORIGINAL SIGNED BY _____
Corporate Officer

ORIGINAL SIGNED BY _____
Mayor

Schedule "A" attached to 2021
Financial Plan

	2021	2022	2023	2024	2025
Revenues					
Property Taxes	\$ 3,215,108	\$ 3,221,305	\$ 3,228,743	\$ 3,237,424	\$ 3,247,350
Parcel Taxes	\$ 55,905	\$ 55,905	\$ 55,905	\$ 38,305	\$ 38,305
Fees and Charges	\$ 1,892,310	\$ 1,941,661	\$ 1,986,148	\$ 1,974,348	\$ 2,036,547
Other Revenue	\$ 911,988	\$ 937,725	\$ 939,997	\$ 942,316	\$ 944,683
Transfers from Other Governments	\$ 4,436,371	\$ 3,483,456	\$ 3,853,544	\$ 3,291,666	\$ 3,239,697
Transfer from Reserves	\$ 5,055,090	\$ 2,918,112	\$ 2,102,212	\$ 2,013,512	\$ 3,285,512
Total Revenue	\$ 15,566,772	\$ 12,558,165	\$ 12,166,550	\$ 11,497,571	\$ 12,792,095
Expenses					
General Government Services	\$ 1,921,124	\$ 1,875,583	\$ 1,947,984	\$ 1,850,834	\$ 1,874,142
Protective Services	\$ 711,420	\$ 645,829	\$ 658,417	\$ 668,087	\$ 677,242
Transportation Services	\$ 2,491,227	\$ 2,490,103	\$ 2,492,945	\$ 2,527,800	\$ 2,558,933
Water Operations	\$ 1,239,983	\$ 1,238,055	\$ 1,257,092	\$ 1,278,777	\$ 1,281,918
Sewer Operations	\$ 941,217	\$ 710,578	\$ 721,350	\$ 732,145	\$ 743,331
Environmental Services	\$ 475,933	\$ 473,377	\$ 473,829	\$ 474,291	\$ 474,762
Public Health Services	\$ 103,434	\$ 104,211	\$ 105,769	\$ 107,358	\$ 108,979
Community Development	\$ 1,062,778	\$ 1,097,519	\$ 1,112,592	\$ 1,143,947	\$ 1,140,588
Interest Expense	\$ 113,938	\$ 113,938	\$ 113,938	\$ 113,938	\$ 113,938
Total Expenses	\$ 9,061,054	\$ 8,749,193	\$ 8,883,916	\$ 8,897,178	\$ 8,973,833
Annual Operating Surplus	\$ 6,505,718	\$ 3,808,972	\$ 3,282,634	\$ 2,600,392	\$ 3,818,262
Transfer to Reserves and Surplus	\$ 2,685,652	\$ 2,788,691	\$ 2,691,104	\$ 2,551,955	\$ 2,536,373
Principal Repayment	\$ 152,853	\$ 152,853	\$ 152,853	\$ 152,853	\$ 152,853
Capital Expenditures	\$ 5,483,460	\$ 2,720,000	\$ 2,328,300	\$ 1,823,000	\$ 3,095,000
Amortization Expense	\$ (1,816,247)	\$ (1,852,572)	\$ (1,889,623)	\$ (1,927,416)	\$ (1,965,964)
Debt, Capital and Transfers	\$ 6,505,718	\$ 3,808,972	\$ 3,282,634	\$ 2,600,393	\$ 3,818,262
Financial Plan Balance	\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ (0)

Statement of Objectives and Policies

In accordance with Section 165(3.1) of the Community Charter, the District of Chetwynd is required to include in its Five-Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
2. The distribution of property taxes among the property classes; and
3. The use of permissive tax exemptions.

1. Funding Sources

The objectives and policies pertaining to municipal revenue which are incorporated into the District’s Financial Plan include:

- The build-up of reserves to minimize the need to borrow for future capital projects;
- Provide sufficient operating funds to ensure existing infrastructure is properly maintained to maximize lifespan and efficiency;
- Pursue infrastructure grants from senior levels of government to lessen the impact on local property taxation and user fees;
- Encourage economic development initiatives designed to attract more investment in the community and expand the tax base.
- Utility user fees have been established and if needed, will be adjusted to ensure that these funds are self-liquidating.

Table 1 below, shows the proportion of total revenue to be raised from each funding source in 2021.

Table 1: Sources of Revenue

Revenue Source	% of Revenue
Property Taxes	20.65%
Parcel Taxes	0.36%
Fees and Charges	12.16%
Other Revenue	5.86%
Transfers from Other Governments	28.50%
Transfer from Reserves	32.47%
Total Revenue	100.00%

2. Distribution of Property Taxes

It is Council’s goal to ensure that there is a fair and equitable apportionment of taxes to each property class. The objectives and policies pertaining to the distribution of property taxes among the property classes incorporated into the Financial Plan include:

- Residential tax rates are linked to the Boundary Expansion properties at a 1 to 3 ratio as set out in the Supplementary Letters Patent. The Supplementary Letters Patent have a base rate of \$18.00 per \$1,000 of assessment. Utilities have a rate cap of 43.63 and are linked to business tax rates at a 2.5 to 1 ratio as set out in BC Regulation 329/96;
- Regular reviews and comparisons of the District’s tax burden relative to other BC municipalities and its neighbours to ensure competitive tax structure and rates;

- To have stable taxation rates and that Council give consideration to cost of living increase for all classes.

Table 2 below highlights the estimated municipal property tax dollars and the respective percentages to be collected from each of the classes for 2021.

Table 2: Distribution of 2021 Municipal Property Taxes

Property Class	Property Tax Amount	% of Property Taxation
1 – Residential	\$ 959,004	31%
2 – Utilities	\$ 426,120	14%
4 - Major Industrial	\$ 695,572	23%
5 – Light Industrial	\$ 273,760	9%
6 – Business/Other	\$ 711,572	23%
8 – Recreation/Non-Profit	\$ 19	0.00%
9 – Farm	\$ 33	0.00%
Totals	\$3,066,080	100.00%

3. Permissive Tax Exemptions

The Annual Report details the extent of permissive tax exemptions provided by the District of Chetwynd. The administration and approval of permissive tax exemptions is set by Council policy. Some of the eligibility criteria within the policy include the following:

- The paramount consideration for a permissive tax exemption is the benefit to the community and residents of Chetwynd;
- Permissive exemptions will also be considered where an organization provides a service that the District would provide given sufficient financial resources;
- Permissive tax exemptions are based on the principal use of the property;
- The organization must be a registered non-profit society. The support of the municipality will not be used for commercial or private gain.