

DISTRICT OF 100 MILE HOUSE
Bylaw No. 1345, 2019

A bylaw to adopt the 2019 to 2023 Financial Plan.

The Council of the District of 100 Mile House in open meeting assembled, hereby enacts as follows:

TITLE

1. This bylaw may be cited for all purposes as "**District of 100 Mile House 2019 Financial Plan Bylaw No. 1345, 2019**".

ENACTMENT

2. THAT, the Five Year Financial Plan hereto annexed and marked as Schedule "A" and Schedule "B" is hereby approved and authorized and shall be in full force and effect from January 1, 2019 until amended, repealed or replaced.

READ A FIRST, SECOND AND THIRD TIME this _____ day of _____, 2019.

ADOPTED this _____ day of _____, 2019.

Mayor

Corporate Officer

DISTRICT OF 100 MILE HOUSE
2019 Financial Plan Bylaw No. 1345, 2019
Schedule A

REVENUES	2019	2020	2021	2022	2023
Taxes & Grants In Lieu	\$ 3,093,599	\$ 3,101,654	\$ 3,110,109	\$ 3,118,989	\$ 3,128,309
Utility Rates	856,270	898,750	943,355	990,185	1,039,355
Sales of Services	465,590	166,215	166,940	167,670	168,410
Government Grants	1,085,630	1,042,495	1,042,495	1,042,495	1,042,495
Contributions & DCC	4,090	4,090	4,090	4,090	4,090
Other Revenue	295,495	294,495	294,495	294,495	294,495
Transfer from Reserves	1,293,875	127,000	127,000	127,000	127,000
Transfer from Other	1,218,675	1,132,445	1,112,480	1,085,750	1,077,195
	\$ 8,313,224	\$ 6,767,144	\$ 6,800,964	\$ 6,830,674	\$ 6,881,349
EXPENDITURES					
General Government	\$ 922,956	\$ 921,297	\$ 929,870	\$ 945,080	\$ 947,441
Protective Services	714,495	723,065	725,660	728,345	731,150
Transportation Services	1,268,155	1,290,010	1,301,930	1,314,205	\$ 1,326,865
Environmental & Public Health	146,885	145,295	147,695	149,110	151,025
Recreation & Culture	245,515	202,375	204,070	205,785	207,545
Utility Operations	786,845	797,330	808,175	819,365	830,970
Development & Planning	545,703	358,703	358,703	358,703	358,703
Interest & Bank Charges	119,135	20,575	6,490	6,490	6,490
Principal Debt Payment	1,303,615	12,640	5,280	5,280	5,280
Amortization	1,103,395	1,132,445	1,112,480	1,085,750	1,077,195
Transfer to Capital Reserve	219,595	270,520	312,735	357,255	404,140
Transfer to Equipment Reserve	156,000	156,000	156,000	156,000	156,000
Transfer to Other Reserves	780,930	736,889	731,876	699,306	678,545
	\$ 8,313,224	\$ 6,767,144	\$ 6,800,964	\$ 6,830,674	\$ 6,881,349
	\$0	(\$0)	\$0	(\$0)	\$0
CAPITAL					
Capital Expenditure	12,137,115	3,668,000	1,110,000	1,177,000	1,215,000
Transfer from Operating Surplus	-	-	-	-	-
Transfer from Reserves	4,652,965	520,000	1,110,000	1,177,000	1,215,000
Grant Funding	7,484,150	3,148,000	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -

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Schedule “B”**

STATEMENT OF OBJECTIVES & POLICIES

In accordance with the Sec 165 (3.1) of the *Community Charter*, the Council of the District of 100 Mile House must set out objectives and policies of the municipality in relation to the following:

- a) The proportion of total revenue that is proposed to come from each of the funding sources;
 - b) The distribution of property taxes among the property classes; and
 - c) The use of permissive tax exemptions.
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FUNDING SOURCES

The table below shows the proportion of total revenue to be raised from each funding source in 2019. Property taxes, which provide a stable and consistent source of funding, are the primary revenue source for the District, while Government grants and transfers from other and reserves, (which will fluctuate year to year) are second highest for planned funding sources.

Revenue Source	% of Total Revenue	Dollar Value
Property & Parcel Taxes	37%	\$ 3,093,599
Transfers from Other	15%	1,218,675
Government Grants	13%	1,085,630
Utility User Fees	10%	856,270
Other Revenue	9%	765,175
Transfer from Own Reserves	16%	1,293,875
	100%	\$ 8,313,224

Objectives

- To adequately maintain core municipal services exclusive of alternative local government funding programs.
- That the cost of living increases reduce the net worth of municipal taxation dollars.
- To review user fees and charges on an ongoing basis.

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Policies

- Utility user fees have been established and if needed, will be adjusted to ensure that these funds are self-liquidating.
 - Other revenues including franchise fees will be considered as general revenue in the financial plan and any restrictions placed on these revenues will be determined annually.
 - The District will ensure that all government transfers are used in accordance with the terms and conditions attached to the funding and that all reporting requirements are met. Unconditional government transfers will be considered as general revenue in the financial plan. The District will continue to apply for grant funding to support projects and initiatives.
 - The District will initiate partnerships and other measures that will diversify revenues in order to provide services and opportunities to the community that may have not otherwise been possible.
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DISTRIBUTION OF PROPERTY TAXES

The projected distribution of property tax values included in the financial plan among the property classes for 2019 is as follows:

Assessment Class	% of Total Collection	Collection Dollar Value
Class 4 - Major Industry: 31%	31%	834,020
Class 6 - Business: 29%	29%	788,444
Class 1 - Residential: 23%	23%	636,456
Class 2 - Utilities: 16%	16%	433,595
Class 5 - Light Industry: 1%	1%	28,152
Class 8 - Recreation & Non-Profit	0%	3,583
Class 9 - Farm	0%	1,340
	100%	\$ 2,725,590

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Objectives

- To have stable taxation rates and that Council give consideration to cost of living increase for all classes.
- To have user fees that cover the cost of the service and reduce the burden on the entire tax base.
- Continue to encourage economic development initiatives designed to attract more investment in the community to expand the tax base.

Policy

- It is the policy of Council to approve Municipal property tax rates annually by considering changes in the assessment base, inflationary factors and economic conditions and costs of providing ongoing and new District services.
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PERMISSIVE TAX EXEMPTIONS

Objectives

- To exempt certain parcels of land in the District of 100 Mile House from taxation as provided by Section 220 and 224 of the Community Charter, Chapter 26.

Policy

- To continue to provide permissive exemptions to include religious institutions, not for profit societies and service organizations that the District feels are a benefit to the community. Historically these exemptions have been granted at 100% of taxes payable.
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SURPLUS AND RESERVES

It is in the best interest of the District of 100 Mile House to maintain healthy and functional surplus accounts and reserve funds in order to ensure long term financial sustainability.

Objectives

- Capital funding provided through the annual process will be adequate to maintain the District’s capital assets and infrastructure and provide for the replenishment of capital assets.
- Establish and maintain reserves to provide stability to municipal operations and ensure the District can meet both current fiscal requirements and future obligations.
- Strive to increase the sum of the balances of the reserve funds and unappropriated surplus accounts.

Policies

- To establish a target of operational surplus in the General Fund in the amount of twenty percent (20%), of the total revenues to a maximum of \$500,000, in a given fiscal year. Any accumulated surplus which exceeds this amount shall be first allocated to the repayment of long term debt MFA#105, Horse Lake Rd/Hwy 97 Interchange in 2019, in the amount of \$215,000 annually, then any remaining surplus shall be allocated to other reserves.
- To establish a target of operational surplus in each of the Sewer and Water funds in the amount of twenty percent (20%) of the total revenues from sales of sewer and water services in a given fiscal year and any accumulated surplus which exceeds these amounts shall be allocated to the Utility Infrastructure Reserve Fund.
- To increase the following reserves annually from revenues in accordance with the annual approved budget:
 - Municipal Infrastructure Reserve Fund
 - Mobile Equipment Replacement Reserve Fund
 - Emergency Equipment Replacement Reserve Fund
 - Computer System Reserve Fund

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DEBT MANAGEMENT

Proceeds from borrowing will be used within the guidelines of the bylaw established to borrow the funds. The maximum amount of accumulated borrowings will be in accordance with the regulations outlined in the Community Charter.

Objectives

- Maintain the long term debt servicing liability at a manageable level.
- To be debt free by the year 2019.

Policies

- Limit the creation of long term debt to the financing of large infrastructure and economic development projects.
- Minimize debt costs by seeking out and applying for provincial and federal government grants whenever possible.

The objectives and policies as stated above are broad in nature to assist Council in their decision making process. Rate capping and ratio limitations on property tax were intentionally excluded so as not to restrict Council’s ability to make future decisions.