



DISTRICT OF
Vanderhoof

District of Vanderhoof
Bylaw No. 1231, 2021
Five Year Financial Plan 2021-2025

A bylaw for the District of Vanderhoof respecting the financial plan for the years 2021 – 2025.

The Council of the District of Vanderhoof, in open meeting assembled, hereby enacts as follows:

1. That Schedules 'A' and 'B' and Appendices 'A', 'B', 'C', 'D', 'E', 'F', 'G' and 'H' attached hereto and made part of this bylaw are hereby adopted and are the Financial Plan of the District of Vanderhoof for the years 2021 - 2025.
2. This bylaw may be cited for all purposes as the District of Vanderhoof Financial Plan Bylaw No. 1231, 2021.

READ A FIRST TIME THIS 8TH DAY OF MARCH, 2021.

READ A SECOND TIME THIS 8TH DAY OF MARCH, 2021.

READ A THIRD TIME THIS 22ND DAY OF MARCH, 2021.

ADOPTED THIS 22ND DAY OF MARCH, 2021.


MAYOR


CORPORATE OFFICER

SCHEDULE 'A'

DISTRICT OF VANDERHOOF
BYLAW NO. 1231

FINANCIAL PLAN

	2021	2022	2023	2024	2025
REVENUES					
Property Taxes	\$ 5,572,396	\$ 5,683,844	\$ 5,797,520	\$ 5,913,471	\$ 6,031,741
Parcel Taxes	458,786	457,225	457,225	457,225	457,225
Fees and Charges					
Sales of Services	332,791	339,447	346,236	353,160	360,224
Other	1,351,789	1,080,000	1,080,000	1,080,000	1,080,000
User Fees	660,500	673,710	687,184	700,928	714,946
Other Revenue					
Interest	48,700	48,700	48,700	48,700	48,700
Grants/Other Gov'ts	5,097,306	2,286,629	2,670,537	2,568,836	2,604,605
Other	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Transfers From Funds					
Borrowing	-	540,000	525,000	235,000	518,000
Reserve Funds	6,429,981	3,425,951	1,757,668	1,566,000	600,000
Accumulated Surplus	1,725,411	-	-	-	-
TOTAL	\$ 22,677,660	\$ 15,535,506	\$ 14,370,070	\$ 13,923,320	\$ 13,415,440
EXPENDITURES					
Debt Interest/Exchange	\$ 109,280	\$ 106,179	\$ 105,983	\$ 109,228	\$ 113,428
Debt Principal	433,085	473,620	446,297	513,135	599,473
Capital Expenditure	12,099,170	5,822,369	4,526,668	3,848,895	3,086,318
Other Municipal Purposes					
General Municipal	6,829,571	6,966,165	7,105,489	7,247,599	7,392,550
Water	452,610	461,662	470,895	480,313	489,920
Sewer	452,315	461,361	470,589	480,000	489,600
Transfer To					
Reserve Funds	2,301,629	1,244,150	1,244,150	1,244,150	1,244,150
Accumulated Surplus	-	-	-	-	-
TOTAL	\$ 22,677,660	\$ 15,535,506	\$ 14,370,070	\$ 13,923,320	\$ 13,415,440

SCHEDULE 'B'

DISTRICT OF VANDERHOOF BYLAW NO. 1231 2021-2025 FINANCIAL PLAN

STATEMENT OF OBJECTIVES AND POLICIES

In accordance with Section 165(3.1) of the *Community Charter*, the District of Vanderhoof (District) is required to include in the 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 and revitalization tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2021. Reserves and surplus funds form the greatest proportion of revenue this year. Property and parcel tax funds form the second greatest proportion of revenue. Grants and other government funds form the third greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, fire protection, snow removal, bylaw enforcement and street lighting.

User fees and charges form a minor portion of planned revenue. Fees are charged for services that can be measured on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, garbage collection and sale of services. User fees attempt to apportion the value of a service to those who use the service.

Objective

- Over the next five years, the District will increase the proportion of revenue that is received from user fees and charges by the annual CPI rate over the current levels and consider new fees.

Policies

- The District will review all user fee levels to ensure they are adequately meeting both the capital and delivery costs of the service.
- Where possible, the District will endeavor to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on its limited property tax base.

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Reserves/surplus funds	36%	\$8,155,392
Property/parcel taxes	27%	\$6,031,182
Grants/Other Gov'ts	23%	\$5,097,306
User fees and charges	10%	\$2,345,080
Other sources	4%	\$1,048,700
Borrowings	0%	\$ 0
Total	100%	\$22,677,660

Distribution of Property Tax Rates

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of District services.

Policies

- Supplement, where possible, revenues from user fees and charges to help to offset the burden on the entire property tax base.
- Major Industrial Class 4 taxation, \$10 per \$1,000 of assessment, will be used as a promotion and retention levy. 50% of the levy will be used to retain existing jobs and to promote and attract new jobs to Vanderhoof. The remainder will be established as an industrial reserve fund.
- If a tax shift to other property classes is required as a result of a reduction in assessment base to any individual class, the District will weigh all options including operations review before distributing the shortfall among the remaining classes.
- Continue to maintain and encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community.
- Regularly review and compare the District's distributions of tax burden relative to other municipalities in Northern British Columbia.

Table 2: Distribution of Property Tax Rates

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	41%	\$2,174,322
Utilities (2)	3%	\$145,916
Major Industrial (4)	25%	\$1,337,193
Light Industrial (5)	6%	\$325,318
Business and Other (6)	24%	\$1,271,621
Recreation/Non-profit (8)	1%	\$4,618
Farmland (9)	0%	\$1,162
Total	100%	\$5,260,150

Permissive Tax Exemptions

The District has an informal permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- The tax exemption must demonstrate benefit to the community and residents of the District by enhancing the quality of life (economically, socially and culturally) within the community.
- The organization receiving the exemption must be a registered non-profit society, as the support of the municipality will not be used for commercial and private gain.
- Permissive tax exemptions will be considered in conjunction with: (a) other assistance being provided by the District; (b) the potential demands for District services or infrastructure arising from the property; and (c) the amount of revenue that the District will lose if the exemption is granted.

Objective

- The District will continue to provide permissive tax exemptions to non-profit societies.

Revitalization Tax Exemption Programs

In addition to permissive tax exemptions, Council may consider revitalization tax exemptions to create economic stimulus, encourage business expansion/retention, create permanent employment opportunities and attract new business and residential construction. The Revitalization tax exemption program is enacted by Bylaw and considered in conjunction with the goals and objectives of the financial plan.

Objective

- To review any requests for revitalization exemption on an individual basis, analyzing the community benefits versus the foregone tax revenue. Our goal is to increase economic diversification by attracting new construction.

APPENDIX 'A'

**DISTRICT OF VANDERHOOF
BYLAW NO. 1231**

2021 ANNUAL BUDGET

GENERAL OPERATING FUND

REVENUE:

Property Taxation	\$ 5,260,150
Grants in Lieu of Taxes	312,246
Unconditional Transfers from Province	560,000
Conditional Transfers from Province	60,000
Conditional Grants from Other Governments	942,448
Sale of Services	332,791
Community Forest Revenue	1,000,000
Other Revenue from Own Sources	605,357
Appropriations from Own Reserves/Surplus	<u>392,532</u>

TOTAL REVENUE

\$ 9,465,524

EXPENSES:

General Government	\$ 1,624,509
Public Works	1,591,900
Air Services	109,600
Environmental Health Services	171,752
Recreation and Cultural	2,291,225
Protective Services	661,085
Fiscal Services	215,147
Community Forest	47,500
Appropriation to General Capital	451,177
Appropriation to Own Reserves	<u>2,301,629</u>

TOTAL EXPENDITURES

\$ 9,465,524

APPENDIX 'B'

**DISTRICT OF VANDERHOOF
BYLAW NO. 1231**

2021 ANNUAL BUDGET

WATER OPERATING FUND

REVENUE:

Taxation	\$	253,388
Sale of Services		330,000
Other Revenue from Own Sources		15,400
Total Operating Revenues		<u>598,788</u>
Appropriations from Own Reserves/Surplus		<u>-</u>

TOTAL REVENUE

\$ 598,788

EXPENSES:

Administration	\$	263,657
Pumping		52,000
Purification and Treatment		71,000
Transmission and Distribution		65,953
Appropriations to Own Reserves		-
Appropriations to Water Capital		<u>146,178</u>

TOTAL EXPENDITURES

\$ 598,788

APPENDIX 'C'

**DISTRICT OF VANDERHOOF
BYLAW NO. 1231**

2021 ANNUAL BUDGET

SEWER OPERATING FUND

REVENUE:

Taxation	\$	205,398
Sale of Services		330,000
Other Revenues Own Sources		7,200
Total Operating Revenues		<u>543,098</u>

Transfers from Reserves/Surplus		<u>-</u>
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TOTAL REVENUES	\$	<u>543,098</u>
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EXPENSES:

Administration	\$	248,457
Collection System		83,858
Lift Stations		60,000
Treatment and Disposal		60,000
Transfer to Sewer Capital Reserve		-
Appropriations to Sewer Capital		90,783
		<u>90,783</u>

TOTAL EXPENDITURES	\$	<u>543,098</u>
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APPENDIX 'D'
DISTRICT OF VANDERHOOF
BYLAW NO. 1231
2021 ANNUAL BUDGET
EQUIPMENT RESERVE FUND

REVENUE:		
Operating Revenues	\$	430,000
Transfer from Reserve		<u>229,218</u>
TOTAL REVENUES	\$	<u>659,218</u>
EXPENSES		
Equipment Repairs	\$	90,000
Equipment Servicing		57,000
Stock Mechanical		8,000
Fuel and Lubricants		130,000
Insurance		<u>38,000</u>
		323,000
Capital Loan Payments		336,218
Transfer to Reserve		<u>-</u>
TOTAL EXPENDITURES	\$	<u>659,218</u>

APPENDIX 'E'

**DISTRICT OF VANDERHOOF
BYLAW NO. 1231**

2021 ANNUAL BUDGET

GENERAL CAPITAL FUND

REVENUE

Grants for Capital Projects	\$ 3,519,858
Gas Tax Funds	-
Capital and Capital Planning Funds	3,919,673
COVID-19 Safe Restart Funds	132,000
Borrowing	-
Transfer from General Operating	451,177
Transfer from General Reserves/Surplus	<u>1,359,707</u>

TOTAL REVENUES \$ 9,382,415

EXPENSES

Capital Expenditures	<u>\$ 9,382,415</u>
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TOTAL EXPENDITURES \$ 9,382,415

APPENDIX 'F'

**DISTRICT OF VANDERHOOF
BYLAW NO. 1231**

2021 ANNUAL BUDGET

WATER CAPITAL FUND

REVENUE

Gas Tax Funds	\$ 1,700,000
Transfer From Surplus	451,727
Transfer From Water Operating Fund	<u>146,178</u>

TOTAL REVENUES \$ 2,297,905

EXPENSES

Capital Expenditures	<u>\$ 2,297,905</u>
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TOTAL EXPENDITURES \$ 2,297,905

APPENDIX 'G'

**DISTRICT OF VANDERHOOF
BYLAW NO.1231**

2021 ANNUAL BUDGET

SEWER CAPITAL FUND

REVENUE

Transfer From Reserves/Surplus	\$ 328,067
Transfer From Sewer Operating Fund	<u>90,783</u>

TOTAL REVENUES	<u>\$ 418,850</u>
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EXPENSES

Capital Expenditures	<u>\$ 418,850</u>
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TOTAL EXPENDITURES	<u>\$ 418,850</u>
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APPENDIX 'H'
DISTRICT OF VANDERHOOF
BYLAW NO. 1231

2021 - 2025 CAPITAL EXPENDITURE PROGRAM

EXPENDITURES	2021	2022	2023	2024	2025
General Government					
Equipment	\$15,000	\$ -	\$ -	\$ -	\$ -
Buildings	350,000	-	-	-	-
Protective Services					
Equipment	132,000	-	-	250,000	-
Buildings	-	-	-	-	-
Transportation Services					
Airport	678,943	130,214	385,418	550,000	-
Roads & Sidewalks	2,111,398	4,012,155	997,350	965,395	1,302,218
Equipment	168,570	540,000	525,000	235,000	518,000
Buildings	3,048,000	-	-	-	-
Environmental Health					
Sewer	418,850	215,000	1,174,900	896,500	621,100
Water	2,297,905	620,000	904,000	477,000	500,000
Storm Sewer	75,000	195,000	270,000	75,000	75,000
Recreation & Cultural					
Buildings	2,159,617	10,000	210,000	60,000	-
Equipment	230,000	40,000	-	40,000	70,000
Parks	530,357	60,000	60,000	300,000	-
Total	\$12,099,170	\$5,822,369	\$4,526,668	\$3,848,895	\$3,086,318
Funding:					
Sewer Utility Fund	\$90,783	\$215,000	\$250,000	\$100,000	\$100,000
Water Utility Fund	146,178	150,000	150,000	150,000	150,000
Reserves	7,891,174	3,425,951	1,757,668	1,566,000	600,000
Grants	3,519,858	906,418	1,264,000	1,176,895	1,168,318
General Revenue	451,177	585,000	580,000	621,000	550,000
Borrowing	-	540,000	525,000	235,000	518,000
	\$12,099,170	\$5,822,369	\$4,526,668	\$3,848,895	\$3,086,318