

**DISTRICT OF TUMBLER RIDGE**  
**BYLAW NO. 624**

**A Bylaw to Establish the Five Year Financial Plan 2015 - 2019**

**WHEREAS**, pursuant to Section 165, of the *Community Charter*, Council must adopt, by bylaw, a Five Year Financial Plan;

**THEREFORE**, the Council for the District of Tumbler Ridge in open meeting assembled hereby enacts as follows:

1. Schedules "A" and "B" attached hereto and forming part of this Bylaw is the Financial Plan for the District of Tumbler Ridge for the five year period from January 1, 2015 to December 31, 2019.
2. This Bylaw may be cited for all purposes as the "District of Tumbler Ridge 2015-2019 Financial Plan Bylaw No.624, 2015".
3. "District of Tumbler Ridge 2014 – 2018 Financial Plan Bylaw No. 618, 2014" and amendments thereto are hereby repealed.

|                                |                         |          |
|--------------------------------|-------------------------|----------|
| RECEIVED FIRST READING on the  | 14 <sup>th</sup> day of | May 2015 |
| RECEIVED SECOND READING on the | 14 <sup>th</sup> day of | May 2015 |
| RECEIVED THIRD READING on the  | 14 <sup>th</sup> day of | May 2015 |
| RECEIVED FINAL READING on the  | 15 <sup>th</sup> day of | May 2015 |

  
\_\_\_\_\_  
Don McPherson, Mayor

  
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Barry Elliott, Corporate Officer

**DISTRICT OF TUMBLER RIDGE**  
**2015 - 2019 Financial Plan**  
**Schedule A**

|  | 2015<br>Budget    | 2016<br>Budget    | 2017<br>Budget    | 2018<br>Budget    | 2019<br>Budget    |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Revenue</b>                               |                   |                   |                   |                   |                   |
| Property value taxes                         | 10,840,911        | 11,057,730        | 11,278,880        | 11,504,460        | 11,734,550        |
| 1% Utility and payments in place of taxes    | 126,900           | 129,450           | 132,050           | 134,710           | 137,420           |
| Parcel taxes                                 | 317,000           | 317,000           | 317,000           | 317,000           | 317,000           |
| Fees, Grants, and Other Income               | 4,999,695         | 3,516,855         | 4,138,355         | 3,480,715         | 3,523,865         |
| <b>Total Revenue</b>                         | <b>16,284,506</b> | <b>15,021,035</b> | <b>15,866,285</b> | <b>15,436,885</b> | <b>15,712,835</b> |
| <b>Operating Expenses</b>                    |                   |                   |                   |                   |                   |
| Interest payments on debt                    | 144,693           | 143,709           | 142,706           | 141,682           | 137,084           |
| Other fiscal charges                         | 12,500            | 12,500            | 12,500            | 12,500            | 12,500            |
| Amortization expense                         | 2,000,000         | 2,000,000         | 2,000,000         | 2,000,000         | 2,000,000         |
| Total fiscal expenses                        | 2,012,500         | 2,012,500         | 2,012,500         | 2,012,500         | 2,012,500         |
| Departmental Operating Expenses              | 9,598,545         | 9,173,770         | 9,269,102         | 9,410,216         | 9,607,860         |
| <b>Total Operating Expenses</b>              | <b>11,755,738</b> | <b>11,329,979</b> | <b>11,424,308</b> | <b>11,564,398</b> | <b>11,757,444</b> |
| <b>PSAB Surplus</b>                          | <b>4,528,768</b>  | <b>3,691,056</b>  | <b>4,441,977</b>  | <b>3,872,487</b>  | <b>3,955,391</b>  |
| <b>Add</b>                                   |                   |                   |                   |                   |                   |
| Add back Amortization                        | 2,000,000         | 2,000,000         | 2,000,000         | 2,000,000         | 2,000,000         |
| Proceeds of debt                             | 1,344,000         | -                 | -                 | -                 | -                 |
| Transfers from Reserves                      | 5,127,952         | 2,475,609         | 1,823,050         | 1,450,730         | 962,340           |
| <b>Total Additions</b>                       | <b>8,471,952</b>  | <b>4,475,609</b>  | <b>3,823,050</b>  | <b>3,450,730</b>  | <b>2,962,340</b>  |
| <b>Deduct:</b>                               |                   |                   |                   |                   |                   |
| Principal payment on debt                    | 411,080           | 412,064           | 413,067           | 414,091           | 362,346           |
| Transfers to reserves                        | 5,969,967         | 5,171,302         | 5,374,960         | 5,472,126         | 5,630,385         |
| <b>Deductions</b>                            | <b>6,381,047</b>  | <b>5,583,366</b>  | <b>5,788,027</b>  | <b>5,886,217</b>  | <b>5,992,731</b>  |
| Total acquisition of tangible capital assets | 6,619,673         | 2,583,299         | 2,477,000         | 1,437,000         | 925,000           |
| <b>Total Deductions:</b>                     | <b>13,000,720</b> | <b>8,166,665</b>  | <b>8,265,027</b>  | <b>7,323,217</b>  | <b>6,917,731</b>  |
| <b>Financial plan balance</b>                | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          |

**DISTRICT OF TUMBLER RIDGE**  
**2015 - 2019 REVENUE AND TAX POLICY DISCLOSURE**  
**Schedule B**

The District has determined the funding priority for revenues to be applied firstly to operations, secondly to infrastructure and thirdly to growth and opportunities. This priority is important based on the need to provide essential services and socially beneficial services to the community at a reasonable standard on an annual basis; the need to ensure assets supporting the services provided are adequately funded for replacement; and the need for a progressive approach to the District's future.

In accordance with Section 165(7) of the Community Charter, the proposed funding sources for inclusion in the financial plan include property value taxes, parcel taxes, fees, proceeds from borrowing, and other sources. The proration of these revenue sources for the District are comprised of the following:

| 2015 Revenues by Source of Funds          | Amount               | Percent       |
|---|----------------------|---------------|
| Property value taxes                      | \$ 10,840,911        | 61.5%         |
| 1% Utility and payments in place of taxes | 126,900              | 0.7%          |
| Parcel taxes                              | 317,000              | 1.8%          |
| Fees                                      | 1,336,675            | 7.6%          |
| Proceeds from borrowing                   | 1,344,000            | 7.6%          |
| Other Sources:                            |                      |               |
| Grants                                    | 3,276,575            | 18.6%         |
| Other income                              | 386,445              | 2.2%          |
|   | <u>\$ 17,628,506</u> | <u>100.0%</u> |

| 2015 Tax Levy Amounts    | Amount            | Percent       |
|--------------------------|-------------------|---------------|
| Class 1 - Residential    | 1,128,569         | 10.4%         |
| Class 2 - Utilities      | 2,057,952         | 19.0%         |
| Class 4 - Major Industry | 5,781,670         | 53.3%         |
| Class 5 - Light Industry | 1,356,694         | 12.5%         |
| Class 6 - Business/Other | 515,972           | 4.8%          |
| Class 8 - Rec/Non-profit | 0                 | 0.0%          |
| Class 9 - Farm           | 53                | 0.0%          |
|                          | <u>10,840,911</u> | <u>100.0%</u> |

The proration of the tax revenues is based on the premise that a zero percent tax increase is applied to the same properties as were on the tax roll in the prior year, with the exception of the utility class. Due to non-market changes alone, which includes new construction, the District would have realized a tax revenue increase of 3.09% over the prior year. However, the overall tax revenue increase for 2015 is 2.58% due to council's decision to lower business taxes. Current regulation caps the tax rate for class 2 utilities at the greater of \$40 for each \$1,000 of assessed value or 2.5 times the municipal rate for class 6 properties, the District applies \$40 for each \$1,000 of assessed value.

| 2015 over 2014 Changes<br>in property value assessments, provided<br>by BC Assessment Authority | Non-market<br>Changes<br>(incl. new<br>construction) |          | Total    |
|---|--|----------|----------|
|   | Market<br>Growth                                     |          |          |
| Class 1 - Residential (all)   | (15.11%)   | 1.14%    | (13.97%) |
| Class 1 - Single Family/Strata only   | (16.21%)   | 0.87%    | (15.34%) |
| Class 2 - Utilities   | (10.33%)   | 1.11%    | (9.22%)  |
| Class 4 - Major Industrial  | (14.32%)   | 11.59%   | (2.73%)  |
| Class 5 - Light Industrial  | 11.39%   | (15.16%) | (3.78%)  |
| Class 6 - Business  | 3.08%  | 11.39%   | 14.47%   |
| Class 8 - Recreation/Non-profit   | 0.00%  | 0.00%    | 0.00%    |
| Class 9 - Farm  | 0.00%  | 0.00%    | 0.00%    |

DISTRICT OF TUMBLER RIDGE  
2015 - 2019 REVENUE AND TAX POLICY DISCLOSURE  
**Schedule B**

The Annual Municipal Report for 2014 contains a list of permissive exemptions granted for the taxation year and the amount of tax revenue foregone. This list demonstrates the policy of council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, historical societies, some recreational facilities, service organizations and cultural institutions.