

**DISTRICT OF WELLS**

**BYLAW NO. 117, 2012**

**A BYLAW OF THE DISTRICT OF WELLS TO ESTABLISH THE FINANCIAL PLAN FOR THE YEARS 2012 to 2016.**

WHEREAS Section 165. (1) of the Community Charter requires the District Council to have a financial plan that is adopted by bylaw; and

WHEREAS the District Council has undertaken a process of public consultation regarding the proposed financial plan in accordance with Section 166 of the Community Charter.

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

1. That Schedule "A", as attached hereto and made part of this bylaw, is hereby adopted as the 5 year Financial Plan of the District of Wells for the year ending December 31, 2012.
2. That Schedule "B", as attached and made part of this bylaw, is hereby adopted as the 5-year Capital Expenditure program of the District of Wells for the years 2012 to 2016.
3. That Schedule "C", as attached and made part of this bylaw, is hereby adopted as the 5- year financial Plan Statement of the District of Wells for the years 2012 to 2016.
4. This bylaw may be cited for all purposes as the "District of Wells Financial Plan Bylaw No. 117, 2012"

PUBLIC CONSULTATION HELD on the 1st day of May 2012.

READ A FIRST TIME this 1st day of May 2012.

READ A SECOND TIME this 1st day of May 2012.

READ A THIRD TIME this 1st day of May 2012.

FINALLY READ AND ADOPTED this 14th day of May 2012.

  
\_\_\_\_\_  
Robin Sharpe, Mayor

  
\_\_\_\_\_  
Gary Champagne, Chief Administrative Officer

**DISTRICT OF WELLS  
Bylaw # 117, 2012 Schedule "A"**

**FINANCIAL PLAN**

<b>REVENUE</b>		2012	2013	2014	2015	2016
Property Taxation	\$ 162,198	\$ 165,118	\$ 168,090	\$ 171,115	\$ 174,195	
Grants-in-Lieu of Taxes	\$ 11,524	\$ 11,639	\$ 11,756	\$ 11,873	\$ 11,992	
Services for Other Governments	\$ 6,093	\$ 6,215	\$ 6,339	\$ 6,466	\$ 6,595	
Other Revenues	\$ 83,172	\$ 83,172	\$ 83,172	\$ 83,172	\$ 83,172	
Government Grants	\$ 692,916	\$ 350,500	\$ 350,500	\$ 449,000	\$ 449,000	
Other Grants	\$ 55,500	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
Transfers From Reserves	\$ 35,000	\$ -	\$ -	\$ -	\$ 12,092	
Utility Users fees	\$ 66,284	\$ 66,284	\$ 66,284	\$ 66,284	\$ 66,284	
Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer From Accumulated Surplus	\$ 3,179	\$ -	\$ -	\$ -	\$ -	
Transfer From Previous Year Surplus	\$ 161,280	\$ 232,000	\$ 129,055	\$ 31,130	\$ 3,124	
<b>TOTAL</b>	<b>\$ 1,277,146</b>	<b>\$ 949,928</b>	<b>\$ 850,195</b>	<b>\$ 854,040</b>	<b>\$ 841,455</b>	
<b>EXPENDITURE</b>						
2012						
2013						
2014						
2015						
2016						
General Government Services	\$ 366,988	\$ 374,328	\$ 381,814	\$ 389,451	\$ 397,240	
Protective Services	\$ 21,594	\$ 22,026	\$ 22,466	\$ 22,916	\$ 23,374	
Public Works	\$ 141,400	\$ 144,228	\$ 147,113	\$ 150,055	\$ 153,056	
Development Services & Planning	\$ 72,934	\$ 74,393	\$ 75,881	\$ 77,398	\$ 78,946	
Water Utility Operations	\$ 70,221	\$ 60,000	\$ 61,200	\$ 62,424	\$ 63,672	
Sewer Utility Operations	\$ 70,340	\$ 71,747	\$ 73,182	\$ 74,645	\$ 76,138	
Debt Principal	\$ 62,269	\$ 63,436	\$ 48,063	\$ 6,256	\$ 6,256	
Debt Interest	\$ 11,183	\$ 10,016	\$ 8,647	\$ 7,072	\$ 7,072	
Capital	\$ 163,679	\$ -	\$ -	\$ 60,000	\$ 35,000	
Fiscal Charges	\$ 672	\$ 700	\$ 700	\$ 700	\$ 700	
<b>TOTAL</b>	<b>\$ 981,280</b>	<b>\$ 820,873</b>	<b>\$ 819,066</b>	<b>\$ 850,917</b>	<b>\$ 841,454</b>	
<b>Surplus</b>	<b>\$ 295,866</b>	<b>\$ 129,055</b>	<b>\$ 31,130</b>	<b>\$ 3,124</b>	<b>\$ 0</b>	
<b>Surplus to Reserves</b>	<b>\$ 63,866</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	

**DISTRICT OF WELLS  
Bylaw # 117, 2012 Schedule "B"**

**5 YEAR CAPITAL PLAN**

<b>EXPENDITURES</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
<b>PLANNING &amp; DEVELOPMENT</b>						
Community Planning/Dev.	\$23,179					\$23,179
Water Utility						\$0
Sewer Utility						\$0
Land and Civic Buildings		\$0				\$0
Public Works						\$0
<b>TOTAL PLANNING</b>	<b>\$23,179</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$23,179</b>
<b>LAND &amp; BUILDINGS</b>						
Civic Buildings	\$25,000					\$25,000
Fire Dept. & EOC						\$0
Public Works						\$0
Land						\$0
<b>TOTAL BUILDINGS</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,000</b>
<b>ENGINEERING STRUCTURES</b>						
Streets						\$0
Sidewalks						\$0
Water	\$28,000	\$60,000				\$88,000
Sewer	\$7,000					\$42,000
Storm Drainage						\$0
Misc. Public Works						\$0
Parks	\$19,000					\$19,000
<b>TOTAL ENGIN. STRUCT.</b>	<b>\$54,000</b>	<b>\$60,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$35,000</b>	<b>\$114,000</b>
<b>SUBTOTAL PROJECTS</b>	<b>\$102,179</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,000</b>	<b>\$35,000</b>	<b>\$162,179</b>
<b>EQUIPMENT</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
Administration						\$0
Public Works	\$60,000					\$60,000
Environ., Health & Safety	\$0					\$0
Water						\$0
Sewer						\$0
Fire Department	\$1,500					\$1,500
Parks and Recreation						\$0
<b>SUBTOTAL EQUIPMENT</b>	<b>\$61,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,500</b>
<b>TOTAL EXPENDITURES</b>	<b>\$163,679</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,000</b>	<b>\$35,000</b>	<b>\$223,679</b>

**DISTRICT OF WELLS  
Bylaw # 117, 2012 Schedule "B"**

**5 YEAR CAPITAL PLAN**

<b>SOURCE OF FUNDS</b>						
<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>	
					\$0	Gen. Operating Fund
					\$0	Water Operating Fund
					\$0	Sewer Operating Fund
\$68,500					\$68,500	Reserve Funds & Surplus
\$95,179		\$60,000	\$35,000	\$190,179		Project Grants
					\$0	Local Improvement Levy
					\$0	Short Term Borrowing
					\$0	Long Term Borrowing
					\$0	Contributions
<b>\$163,679</b>	<b>\$0</b>	<b>\$0</b>	<b>\$60,000</b>	<b>\$35,000</b>	<b>\$223,679</b>	<b>TOTAL</b>

**Bylaw 117, 2012  
Schedule "C"**

**2012 Financial Plan Statement**

**The proportion of total revenue proposed to come from each funding source** Table one below shows the proportion of total revenue to be raised from each funding source in 2012. At 59.5%, grants are the largest and most important source of revenue for the municipality. Comparatively, property and parcel taxes in 2012 will account for a combined total of only 12.7% of the District's revenue requirements. User fees for municipal services such as garbage collection and the water and sewer utilities will account for an additional 5.9%. There is no short-term borrowing for Capital Projects in 2012. The municipality has also earmarked transfers from reserves totalling 15.6% of the 2012 budget which were set aside from earlier Strategic Community Investment Funding Agreements with the Province for use in 2012 and beyond. Finally, other revenue, which is composed of services provided to other levels of government, rentals and misc. funding make up the remaining 6.3%.

The above combination of grants, property taxes, user fees, transfers and other revenue together provide a stable and consistent source of funding for the District. It must be noted that most District capital projects are based around external funding opportunities such as grant programs which does impact long range planning efforts. An exception to this is the Federal Fuel Tax Rebate Program which provides stable annual funding for Utility Projects and which was a major funding component of our recently completed Water Treatment Plant. It should also be noted that without the unrestricted Provincial Small Community Protection Grants, the District of Wells would be unable to sustain general municipal operations given the current size of the local tax base. For these reasons, senior government grants will continue to be the essential source of municipal revenue for the District of Wells over the next five years.

**Table one: proportions of total revenue**

Revenue Source	% Total Revenue
Grants	59.5%
Parcel taxes	7.2%
Property value taxes	5.5%
User fees and charges	5.9%
Proceeds from borrowing	0%
Transfers from reserves	15.6%
Other revenue	6.3%
<b>TOTAL</b>	<b>100.0%</b>

**Policy:**

It is the general policy of the District of Wells that property tax increases over the span of this five-year Financial Plan should be minimal. Within the context of the Financial Plan, Council recognizes that the District of Wells, having one of the smallest municipal tax bases in British Columbia, cannot unilaterally support municipal operations without substantial external sources

of revenue. Therefore in order to sustain the municipality, it is the policy of the District to be a strong proponent for the continuation of provincial funding programs such as the Small Communities Protection Grant. Further it is the policy of the District to actively pursue external grants and sources of revenue to fund any new operational program or capital project.

**Objective:**

Over the five-year period of this financial plan, the District will be a strong proponent for the continuation of provincial funding programs for small municipalities in British Columbia, the District will pursue external funding grants and sources of revenue in conjunction with the initiation of any new operational program or capital project and the District will strive to minimize property tax increases.

**Distribution of property taxes among the property classes**

The table below illustrates the percentage of total property value tax revenue to be collected from each property class in 2012.

Property class	% Property Value Tax
Residential (1)	50.1%
Utilities (2)	3.7%
Major Industry (4)	12.6%
Business (6)	33.6%
TOTAL	100.0%

**Policy:**

The District of Wells will work to minimize property tax increases over the next five years. The District will also endeavor to minimize changes to the proportional relationship of the property classes for tax purposes.

**Objective:**

The District of Wells will limit changes in the current tax structure and strive to limit tax increases to no more than 3% per year.

**Use of permissive tax exemptions**

The Annual Municipal Report for 2011, will contain a list of permissive exemptions granted for the taxation year and the amount of tax revenue foregone. The list demonstrates the policy of council that permissive exemptions are granted to not-for-profit organizations that form a valuable part of our community. These include historical societies, recreational facilities, service organizations and cultural institutions.

**Policy:**

Council will continue to support local non-profit organizations through permissive tax exemptions.

**Objective:**

To assist local non-profit organizations in the community.