

**DISTRICT OF BARRIERE
BYLAW NO. 132**

A BYLAW OF THE DISTRICT OF BARRIERE RESPECTING THE FINANCIAL
PLAN FOR THE YEARS 2016-2020 INCLUSIVE

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

1. Schedule "A" attached hereto and made part of this Bylaw are hereby adopted and comprise the Financial Plan of the District of Barriere for the years 2016 to 2020 inclusive.
2. This Bylaw may be cited for all purposes as "Financial Plan Bylaw No. 132."

READ A FIRST TIME this **18** day of **April**, 2016

READ A SECOND TIME this **18** day of **April**, 2016

READ A THIRD TIME this **18** day of **April**, 2016

ADOPTED this **2nd day of May, 2016**

Original signed by, _____
Mayor Virginia Smith

Original signed by, _____
Colleen Hannigan, CAO

Schedule “A”
2016-2020 Financial Plan
Statement of Objectives and Policies

In accordance with Section 165(3.1) of the *Community Charter*, the District of Barriere 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 tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2016. At this time “Government Grants” form the largest proportion of revenue. “Other Sources of Funding” represent the second largest portion of revenue. This source of funding consists primarily of transfers from reserve and surplus accounts for District share of Grant Projects. “Property Taxes” form the third largest proportion of revenue. As a revenue source, property taxation offers a number of advantages. 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, and bylaw enforcement.

Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and solid waste services – these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

Objective

- Over the next five years, the District of Barriere will continue to increase the proportion of revenue that is received from user fees and charges over the current levels.
- The District will also look at growing our revenue sources so that government grants are not the largest source of revenue.

Policies

- The District of Barriere reviews 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.
- As well, the District will actively encourage economic development and residential developments.
- Lastly, the District will investigate new revenue streams for products and services.

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property taxes	27.3%	757,472
User Fees and charges	25.7%	714,300
Other Sources	27.4%	761,827
Proceeds from borrowing	0	0
Government grants	19.6%	546,957
Total	100.00%	\$2,780,556

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 the District of Barriere services. Overtime, the District will work to increase the industrial and business uses in the District to lessen the impact on residential properties.

Table 2: Distribution of Property Tax Rates

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	74.55%	564,692
Utilities (2)	3.51%	26,596
Social Housing	0	0
Major Industrial (4)	4.13%	31,330
Light Industrial (5)	2.12%	16,088
Business and Other (6)	15.53%	117,640
Recreation/Non-Profit (8)	.12%	858
Farmland (9)	.04%	268
Total	100.00%	\$757,472

Objective

- Over the next five years, the District will work to increase the number of industrial and commercial businesses within the District boundaries. This increase would lessen the tax burden on residential properties.
- Under Incorporation, the industrial tax rate was reduced.
- Maintain the property tax rate for businesses and other (class 6) at the current rate.

Policies

- The District will look at developing new revenue sources to offset the tax rate for all classes.
- The District will develop economic initiatives to attract more retail and commercial development.
- The District will continue to compare our tax rates with our par communities.

Permissive Tax Exemptions

The District provides tax exemptions for non-profit societies in our community. Non-profit groups provide key services for our community.

Revitalization Tax Exemptions

The District has developed two Revitalization Tax Exemption Bylaws that encourage development and revitalization in the community. Downtown and the Yellowhead Corridor are the two areas that are named in the bylaws.

Objective

- To continue to provide tax exemptions to non-profit societies and potential development areas.
- Wherever possible, green development will be encouraged.

Policies

- Develop the components of an exemption program that will target green activities.
- To continue to assess the need for development and revitalization of areas of the community.

DISTRICT OF BARRIERE							Schedule A
<i>FIVE YEAR FINANCIAL PLAN</i>							2015-2020
	2015	2015 Actual	2016	2017	2018	2019	2020
Source of Funds							
Municipal Taxation	(721,402)	(721,402)	(757,472)	(795,000)	(835,000)	(876,750)	(920,500)
Taxes Collected for Other Govt	(982,540)	(997,782)	(996,540)	(996,540)	(996,540)	(1,011,488)	(1,031,718)
Grants in Lieu of Taxes	(34,858)	(34,796)	(35,700)	(35,700)	(36,220)	(36,763)	(37,499)
Sales of Service	(503,000)	(526,994)	(560,600)	(682,800)	(684,200)	(694,463)	(708,352)
Revenue From Other Souce	(20,000)	(20,000)	0	0	0	0	0
Revenue From Ow n Souce	(151,800)	(232,192)	(118,000)	(128,000)	(129,350)	(131,290)	(133,916)
Revenue From Other Govt	(377,659)	(547,703)	(516,957)	(531,457)	(531,457)	(531,457)	(531,457)
Grants	(1,681,890)	(1,655,994)	(30,000)	0	0	0	0
Contract With Other Govt	(54,250)	(49,660)	(106,130)	(50,880)	(50,880)	(51,630)	(51,645)
Transfer From Other Funds	(201,137)	(201,137)	0	0	0	0	0
Transfer From Gas Tax	(96,572)	(106,571)	(53,689)	0	0	0	0
Transfer From Surplus	(596,530)	(619,392)	(456,008)	(215,381)	(183,082)	(152,730)	(125,405)
Transfer From Reserves	<u>(25,219)</u>	<u>(25,219)</u>	<u>(146,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Source of Funds	(5,446,856)	(5,738,841)	(3,777,096)	(3,435,758)	(3,446,729)	(3,486,572)	(3,540,492)
Expenditures							
Taxes Paid to Other Govt	986,640	1,002,049	1,000,840	1,000,840	1,000,840	1,015,853	1,036,170
Municipal Operations							
General Government	568,918	600,520	574,250	584,500	590,349	599,204	611,188
Grants	1,852,561	20,984	56,689	0	0	0	0
Protective Services	122,600	160,509	128,485	125,910	127,298	129,208	131,792
Bylaw Enforcement	5,150	1,870	2,800	2,925	2,984	3,028	3,089
Transportation Services	368,930	608,862	303,200	300,750	302,474	304,671	307,645
Environmental Services	109,750	129,394	113,450	114,600	113,792	115,499	117,809
Building Inspection Services	21,150	16,561	19,900	19,900	19,978	20,038	20,118
Development Services	23,550	19,734	18,575	11,125	10,728	10,813	10,930
Parks/Rec/Cemetery	107,260	132,363	103,475	102,126	103,868	105,426	107,535
Water Works	307,553	366,284	279,950	276,850	282,287	286,521	292,252
Sewer	87,500	46,975	138,175	139,325	142,112	144,243	147,128
Transfer to Gas Tax	119,457	123,147	119,457	119,457	119,547	119,547	119,547
Transfer to WW DCC's	0	0	0	0	0	0	0
Transfer to Reserve	109,447	284,470	91,850	178,825	219,030	219,900	221,078
Transfer to Surplus	263,721	433,902	464,000	458,625	411,443	412,620	414,212
Transfer to Captal Function	<u>392,669</u>	<u>1,791,216</u>	<u>362,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL Expenditures	5,446,856	5,738,841	3,777,096	3,435,758	3,446,729	3,486,572	3,540,492
*** SURPLUS/DEFICIT	0	0	0	0	0	0	0