

**DISTRICT OF BARRIERE
BYLAW NO. 90**

A BYLAW OF THE DISTRICT OF BARRIERE RESPECTING THE FINANCIAL
PLAN FOR THE YEARS 2012-2016 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 2012 to 2016, inclusive.
2. This Bylaw may be cited for all purposes as the "Financial Plan Bylaw No. 90."

READ A FIRST TIME this 16th day of April, 2012

READ A SECOND TIME this 16th day of April, 2012

READ A THIRD TIME this 16th day of April, 2012

ADOPTED this 7th day of May, 2012

Original signed by, _____
Mayor Bill Humphreys

Original signed by, _____
Colleen Hannigan, CAO

District of Barriere
Bylaw No. 90
Schedule "A"

Schedule "A"
2012-2016 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 2012. At this time Government grants form the largest proportion of revenue. Property taxes form the second 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, police services 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 sale of 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 increase the proportion of revenue that is received from user fees and charges continue 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 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. 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 | 25 | 640,000 |
| User Fees and charges | 21 | 556,576 |
| Other Sources | 13 | 345,604 |
| Proceeds from borrowing | 0 | 0 |
| Government grants | 41 | 1,071,070 |
| Total | 100% | \$2,613,250 |

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) | 77.1215 | 493,577 |
| Utilities (2) | 2.4773 | 15,855 |
| Social Housing | 0 | 0 |
| Major Industrial (4) | 4.5644 | 29,212 |
| Light Industrial (5) | 1.2449 | 7,968 |
| Business and Other (6) | 14.3547 | 91,780 |
| Recreation/Non-Profit (8) | 0.1996 | 1,277 |
| Farmland (9) | 0.0376 | 241 |
| Total | 100% | \$640,000 |

Objectives

- Over the next five years, the District will work to increase the number of industrial and commercial businesses in the District. The District is looking at lessening the tax load that residential properties paid.
- 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.

Objectives

The District on a yearly basis will provide tax exemptions to non-profit societies. Over the next five years the District will look at expanding our permissive tax exemptions to cover the revitalization of Barriere Town Road. Where possible, green development will be encouraged.

Policies

- Expand the permissive tax exemption to include the revitalization and redevelopment of Barriere Town Road.
- Develop the components of an exemption program that will target green activities.

**DISTRICT OF
BARRIERE**
*Five Year Financial Plan
2012-2016*

Schedule A

| | 2011 | 2011 Actual | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Source of Funds | | | | | | | |
| Municipal Taxes | (620,000) | (619,366) | (640,000) | (652,800) | (665,856) | (679,173) | (692,757) |
| Taxes Collected for Other Government | (973,040) | (929,876) | (973,040) | (973,040) | (973,040) | (973,040) | (973,040) |
| Grant in Lieu of Taxes | (29,179) | (29,892) | (30,276) | (30,276) | (30,276) | (30,276) | (30,276) |
| Sales of Service | (454,173) | (458,286) | (471,000) | (480,420) | (490,028) | (499,829) | (509,826) |
| Revenue from Own Source | (166,219) | (196,839) | (144,908) | (147,047) | (149,988) | (151,455) | (153,725) |
| Revenue from Other Government | (606,978) | (659,408) | (671,070) | (377,272) | (377,272) | (494,465) | (494,465) |
| Grants | (182,854) | (178,820) | (400,000) | (3,200,000) | (3,500,000) | 0 | 0 |
| Contract with Other Government | (71,792) | (63,995) | (55,300) | (55,300) | (55,300) | (55,300) | (55,300) |
| Transfer from Gas Tax | (44,000) | (53,676) | (113,100) | 0 | 0 | 0 | 0 |
| Transfer from Surplus | (28,258) | (87,987) | (59,195) | 0 | 0 | 0 | 0 |
| Transfer from Reserve | <u>0</u> | <u>0</u> | <u>(28,400)</u> | <u>(100,000)</u> | <u>(100,000)</u> | <u>(100,000)</u> | <u>(100,000)</u> |
| Total Source of Funds | (3,176,493) | (3,278,145) | (3,586,290) | (6,016,156) | (6,341,761) | (2,983,538) | (3,009,388) |
| Expenditures | | | | | | | |
| Taxes Paid to Other Governments | 976,240 | 934,361 | 977,540 | 977,540 | 977,540 | 977,540 | 977,540 |
| Municipal Operations | | | | | | | |
| General Government | 546,600 | 507,031 | 525,200 | 535,704 | 546,418 | 557,346 | 568,493 |
| Grants | 196,927 | 257,880 | 503,770 | 3,200,000 | 3,500,000 | 0 | 0 |
| Protective Services | 141,500 | 139,558 | 154,749 | 128,876 | 131,453 | 134,083 | 136,764 |
| Transportation Services | 36,500 | 36,281 | 61,100 | 162,322 | 165,568 | 168,880 | 172,257 |
| Environmental Services | 97,800 | 85,048 | 91,550 | 93,381 | 95,249 | 97,154 | 99,097 |
| Development Services | 93,450 | 135,266 | 101,850 | 88,342 | 89,864 | 91,416 | 92,999 |
| Parks/Rec/Cemetery | 108,025 | 103,896 | 95,725 | 97,640 | 99,592 | 101,584 | 103,616 |
| Water Works | 343,735 | 295,269 | 348,783 | 355,000 | 362,100 | 369,342 | 376,728 |
| Sewer | 16,873 | 12,624 | 20,525 | 20,936 | 21,354 | 21,781 | 22,217 |
| Transfer to Other Funds | | | | | | | |
| Transfer to Reserves | 435,219 | 414,219 | 494,309 | 189,959 | 186,165 | 297,956 | 293,219 |
| Transfer to Surplus | 30,359 | 214,212 | 40,731 | 47,000 | 47,000 | 47,000 | 47,000 |
| Capital Function | 33,800 | (161,080) | 51,000 | 0 | 0 | 0 | 0 |
| Amortization | 0 | 184,125 | 0 | 0 | 0 | 0 | 0 |
| Transfer to Gas Tax | <u>119,465</u> | <u>119,457</u> | <u>119,457</u> | <u>119,457</u> | <u>119,457</u> | <u>119,457</u> | <u>119,457</u> |
| Total Expenditures | 3,176,493 | 3,278,145 | 3,586,290 | 6,016,156 | 6,341,761 | 2,983,538 | 3,009,388 |
| Surplus/Deficit | 0 | 0 | 0 | 0 | 0 | 0 | 0 |