



2021-2025
FIVE-YEAR FINANCIAL PLAN BYLAW
Bylaw 1344
Effective 2021 February



CASTLEGAR

2021–2025 FIVE–YEAR FINANCIAL PLAN BYLAW Bylaw 1344

WHEREAS Section 165 of the *Community Charter* requires that Council adopt, by bylaw, a financial plan for a period of five years,

AND WHEREAS Section 165 of the *Community Charter* requires that the financial plan set out the objectives and policies of the City,

NOW THEREFORE the Council of the City of Castlegar, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as "The City of Castlegar 2021–2025 Five–Year Financial Plan Bylaw Number 1344".
2. The planned revenues and expenditures for the years 2021 to 2025 will be those recorded on Schedule "A" attached to, and forming part of this Bylaw.
3. Schedule "B" attached to and forming part of this Bylaw is hereby adopted as the "Objectives and Policy Disclosure" of the City as required by Section 165 of the *Community Charter*.
4. This Bylaw shall come into full force and effect upon adoption.

Repeal

The City of Castlegar Financial Plan 2020–2024 Bylaw Number 1313 and all amendments to are hereby repealed.

READ A FIRST TIME this 1st day of February, 2021.

READ A SECOND TIME this 1st day of February, 2021.

READ A THIRD TIME this 1st day of February, 2021.

ADOPTED this 16th day of February, 2021.



Deputy Mayor



Director of Corporate Services

Schedule "A"
Bylaw 1344

CITY OF CASTLEGAR

	2021	2022	2023	2024	2025
	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
REVENUES					
TAXATION	9,303,691	10,011,079	10,596,617	10,757,305	11,124,059
PARCEL TAX	542,850	542,850	542,850	542,850	542,850
1% UTILITY TAX	203,786	192,000	192,000	195,800	199,600
GRANTS IN LIEU OF TAXES	579,000	579,000	579,000	590,500	602,100
TOTAL TAXATION	10,629,327	11,324,929	11,910,467	12,086,455	12,468,609
GOVERNMENT GRANTS	4,224,860	5,603,299	4,358,207	1,307,500	1,318,600
FEES AND SERVICE CHARGES	4,501,355	4,806,476	5,793,202	5,924,040	6,014,815
OTHER REVENUE	307,900	307,900	307,900	313,800	319,200
INTEREST AND OTHER INCOME	65,500	65,500	79,500	80,700	81,900
INTERNAL RECHARGES	637,500	639,800	642,200	653,500	664,900
COLLECTION FOR OTHER AGENTS	7,590,111	7,590,111	7,590,111	7,741,700	7,896,400
Total REVENUES	27,956,553	30,338,015	30,681,587	28,107,695	28,764,424
EXPENSES					
GENERAL GOVERNMENT	2,816,007	2,873,954	2,901,911	2,953,577	3,008,200
ENVIRONMENTAL DEVELOPMENT	561,450	561,900	568,400	577,500	588,500
TRANSPORTATION AND CIVIC WORKS	3,050,024	3,127,020	3,177,720	3,229,100	3,290,200
WASTE DISPOSAL	616,094	623,558	634,000	642,600	654,900
PROTECTION	3,429,930	3,494,538	3,546,938	3,624,038	3,693,100
HEALTH AND WELFARE	212,356	214,650	217,050	220,050	224,100
RECREATION AND CULTURE	1,653,021	1,645,701	1,674,525	1,702,378	1,733,331
WATER SYSTEM	1,074,284	1,090,450	1,109,550	1,110,700	1,131,200
SEWER SYSTEM	890,664	906,700	923,000	938,600	954,600
STORM SYSTEM	126,404	128,200	129,600	131,500	133,500
AIRPORT	1,148,010	1,167,550	1,186,150	1,208,500	1,231,300
INTEREST AND FINANCE CHARGES	3,000	3,000	3,000	3,000	3,000
COLLECTION FOR OTHER AGENTS	7,590,111	7,590,111	7,590,111	7,741,700	7,896,400
AMORTIZATION	3,840,000	3,862,000	3,882,000	3,902,000	3,922,000
TOTAL EXPENSES	27,011,355	27,289,332	27,543,955	27,985,243	28,464,331
ANNUAL SURPLUS (DEFICIT)	945,198	3,048,683	3,137,632	122,452	300,093
AMORTIZATION	3,840,000	3,862,000	3,882,000	3,902,000	3,922,000
CAPITAL EXPENDITURE	(16,538,721)	(13,145,299)	(12,429,149)	(9,686,165)	(3,552,465)
EXTERNAL DEBT FINANCING	8,926,236	5,548,701	5,203,156	5,181,000	350,000
TRANSFER TO RESERVES	(2,658,911)	(2,940,487)	(3,282,370)	(3,554,120)	(3,755,253)
TRANSFER FROM RESERVES	5,486,198	3,626,402	3,488,731	4,034,833	2,735,625
BALANCED BUDGET	-	-	-	-	-

Bylaw 1344 Schedule "B" Objectives and Policy Disclosure

1. Proportion of Total Revenue from Each Funding Source

1) Property Value Taxes

- i) Property tax levels within the City of Castlegar have been established through years of public process and within the context of the following objectives:
 - Ensure City of Castlegar property taxes are competitive when compared to other communities in the region.
 - Ensure that an appropriate balance between operating funds and capital funds for infrastructure improvements is maintained.
 - Continue to maintain reserves for future projects as appropriate.
 - Reduce the City's reliance on property taxes by developing alternative revenue streams and by implementing the user pay principle where possible.
- ii) The total proportion of property tax revenues collected is determined by calculating the difference between all other revenue sources and revenues required.

2) Parcel Taxes

The City of Castlegar will use parcel taxes to fund the construction and maintenance of public infrastructure when it is in the public interest to do so.

The 2021 financial plan continues the use of parcel taxes to fund the planning, development and maintenance of a storm water system in order to ensure public safety and protect municipal assets.

3) Fees and Charges

- i) It is the objective of the City of Castlegar to ensure that costs for a service are collected from users of the service, where practical.
- ii) User fees are a primary cost recovery method used by the City of Castlegar.
- iii) User fees will be levied in all cases where it is possible and appropriate to recover costs on a user pay basis.

4) Other Sources of Revenue

- i) It is the objective of the City of Castlegar to maximize revenues from new or other sources. The City will:
 - Seek funding from senior levels of government for projects and other initiatives, where possible and appropriate to do so.
 - Seek economic development opportunities in order to create new streams of revenue.

Bylaw 1344 Schedule "B" CONTINUES

The proposed distribution of municipal property value tax revenues is estimated to be as shown in the following table:

Property Class	% of Total Taxes
Residential	41%
Utilities	4%
Major Industry	30%
Light Industry	1%
Business	25%
Non-Profit	0%
Total	100%

The proposed proportions of total revenue from revenue sources is estimated in the following table:

Revenue Source 2021	%
Property Value Taxes	27.3%
Parcel Tax	1.6%
Utility Taxes, Grants in Lieu & Penalties & Interest	2.3%
Utility User Fees	13.2%
Other Income	1.1%
Grants	12.4%
External Debt	26.1%
Reserves	16.1%
Total	100%

5) Debt and Internal Financing

- i) It is the objective of the City of Castlegar to consider debt financing only when:
- The project will provide a significant benefit to tax payers over the long-term.
 - Significant cost savings can be obtained by pursuing the project prior to saving the required funds.
 - The cost of financing the project does not constitute an unreasonable burden to tax payers.
 - The City will continue to utilize Municipal Finance Authority lease and/or equipment financing opportunities for its equipment fleet and will use this method of financing when it is economically viable to do so.

6) Permissive Tax Exemptions

The City of Castlegar will provide permissive property tax exemptions in accordance with the provisions of the Community Charter and Council Policy Directive 15.

The Annual Report for 2021 will contain a list of permissive tax exemptions granted for the taxation year and the amount of revenue foregone.

7) Revitalization Tax Exemptions

Council may also, from time to time, enact new revitalization tax exemption bylaws that encourage development within the spectrum of the City's objectives, including but not limited to:

- Enhancing the City's sustainability and environmental stewardship.
- Encouraging green development and green technology.
- Objectives and initiatives established within the Official Community Plan.
- Stimulating the local economy through encouraging investment, new development and employment opportunities.
- Encouraging affordable housing.
- As a means of re-vitalizing and renewing specific areas of the city.