



## DISTRICT OF HIGHLANDS

### BYLAW NO. 322

BEING A BYLAW OF THE DISTRICT OF HIGHLANDS TO ADOPT THE FIVE YEAR FINANCIAL PLAN  
FOR THE YEARS 2010 TO 2014

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**NOW THEREFORE** The Council of the District of Highlands, in open meeting assembled, enacts as follows:

1. Schedule "A" attached to and forming part of this Bylaw is declared to be the Five Year Financial Plan of the District of Highlands for the five year period ending December 31, 2014.
2. Schedule "B" attached to and forming part of this Bylaw is declared to be the Statement of Objectives and Policies of the District of Highlands for the purposes of this Bylaw.
3. This Bylaw may be cited for all purposes as the "Five Year Financial Plan Bylaw No. 322, 2010".

READ A FIRST TIME THIS	3 <sup>rd</sup>	DAY OF	May, 2010
READ A SECOND TIME THIS	3 <sup>rd</sup>	DAY OF	May, 2010
READ A THIRD TIME THIS	3 <sup>rd</sup>	DAY OF	May, 2010
RECONSIDERED AND ADOPTED THIS	10 <sup>th</sup>	DAY OF	May, 2010

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MAYOR

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A/ CORPORATE OFFICER

**Schedule "A" to Bylaw No.322  
2010 to 2014 Financial Plan**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenues</b>					
Taxation	\$1,313,475.00	\$1,340,100.00	\$1,367,000.00	\$1,394,100.00	\$1,422,300.00
Sales of Services	\$ 77,700.00	\$ 74,700.00	\$ 74,700.00	\$ 74,700.00	\$ 74,700.00
Other Revenue	\$ 119,600.00	\$ 49,600.00	\$ 50,600.00	\$ 51,600.00	\$ 52,600.00
Grants and Contributions	\$ 570,436.00	\$ 468,435.00	\$ 468,435.00	\$ 468,435.00	\$ 468,435.00
<b>Total Revenues</b>	<b>\$2,081,211.00</b>	<b>\$1,932,835.00</b>	<b>\$1,960,735.00</b>	<b>\$1,988,835.00</b>	<b>\$2,018,035.00</b>
<b>Expenses</b>					
General Government Services	\$ 617,200.00	\$ 629,110.00	\$ 649,110.00	\$ 651,110.00	\$ 662,110.00
Protective Services	\$ 357,850.00	\$ 359,650.00	\$ 361,650.00	\$ 366,650.00	\$ 369,650.00
Transportation Services	\$ 221,750.00	\$ 214,000.00	\$ 214,000.00	\$ 219,000.00	\$ 219,000.00
Planning Services	\$ 204,850.00	\$ 96,900.00	\$ 98,900.00	\$ 100,900.00	\$ 102,900.00
Recreation and Cultural Services	\$ 281,822.00	\$ 276,400.00	\$ 285,200.00	\$ 294,200.00	\$ 304,600.00
Amortization Expense	\$ 982,147.00	\$ 987,055.00	\$ 987,055.00	\$ 987,055.00	\$ 987,055.00
<b>Total Expenses</b>	<b>\$2,665,619.00</b>	<b>\$2,563,115.00</b>	<b>\$2,595,915.00</b>	<b>\$2,618,915.00</b>	<b>\$2,645,315.00</b>
<b>Operating Surplus (Deficit) with Amortization</b>	<b>\$ (584,408.00)</b>	<b>\$ (630,280.00)</b>	<b>\$ (635,180.00)</b>	<b>\$ (630,080.00)</b>	<b>\$ (627,280.00)</b>
<b>Operating Surplus(Deficit) less Amortization</b>	<b>\$ 397,739.00</b>	<b>\$ 356,775.00</b>	<b>\$ 351,875.00</b>	<b>\$ 356,975.00</b>	<b>\$ 359,775.00</b>
<b>Reserves, Capital and Debt</b>					
Transfers to Reserves	\$ (280,586.00)	\$ (227,000.00)	\$ (227,000.00)	\$ (227,000.00)	\$ (227,000.00)
Repayment of Debt	\$ (67,130.00)	\$ (45,020.00)	\$ (45,020.00)	\$ (45,020.00)	\$ (45,020.00)
Reserves Used for Capital Financing	\$ 217,877.00	\$ 45,245.00	\$ 50,145.00	\$ 45,045.00	\$ 4 2,245.00
Capital Expenditures	\$ (267,900.00)	\$ (130,000.00)	\$ (130,000.00)	\$ (130,000.00)	\$ (130,000.00)
<b>Total Reserves, Capital and Debt</b>	<b>\$ (397,739.00)</b>	<b>\$ (356,775.00)</b>	<b>\$ (351,875.00)</b>	<b>\$ (356,975.00)</b>	<b>\$ (359,775.00)</b>
<b>Surplus(Deficit)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## **SCHEDULE "B"**

In accordance with Section 165(3.1) of the *Community Charter*, the District of Highlands 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**

Property taxes easily account for the greatest proportion of revenue. The services covered by property taxation encompass such as general administration, road maintenance, fire protection, and bylaw enforcement. Because the District Services that are provided are relatively minimal there is no significant impact that can be made relative to off setting taxes with additional fee based charges. The significant exception to this is the provision of Building Inspection and Subdivision Approval Services where the fees charged in the permitting process accomplish almost complete cost recovery.

Unconditional provincial government grants form the second largest funding source in the District's budget.

### **Objective**

- Over the next five years, it is anticipated that there will not be any significant change to the revenue structure.

### **Policies**

- The District will continue to maintain a high degree of cost recovery of the Building and Subdivision Services it provides.
- The District will be looking into other fee for service based functions, in particular Soil Deposition and Removal to ensure that community decreases the cost implications of this higher impact activity.

### Distribution of Property Tax Rates

Table 1 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.

### Objectives

- There has been a long standing objective towards keeping tax increases to zero. In order to accomplish this goal throughout the different property classes tax rates are adjusted in accordance with market changes to assessments while benefitting financially from new assessment.

### Policies

- Unless significant changes occur to certain property classes it is likely that the status quo will be maintained in relation to how tax levels are handled throughout the property classes

**Table 1: Distribution of Property Tax Rates**

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	86%	\$1,099,945
Utilities (2)	<1%	\$2,167
Light Industrial (5)	<1%	\$9,415
Business and Other (6)	8%	\$101,886
Private Managed Forest (7)	<1%	\$4,964
Recreation/Non-profit (8)	4.6%	\$59,050
Farmland (9)	<1%	\$1,351
<b>Total</b>	<b>100%</b>	<b>\$1,278,778</b>

### Permissive Tax Exemptions

The District has not issued property tax exemptions. This results because there is no eligible property in Highlands to which the exemptions could apply, from both the zoning and use perspectives.