

# CORPORATION OF THE VILLAGE OF HAZELTON

## BYLAW NO. 512, 2020

A bylaw to adopt a financial plan for the years 2020 to 2024

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WHEREAS the Council of the Village of Hazelton is required to adopt a five-year financial plan;

NOW THEREFORE the Council of the Village of Hazelton in open meeting assembled, enacts as follows:


1. Schedule "A" attached hereto and made part of this bylaw is hereby declared to be the Financial Plan of the Village of Hazelton for the 5-year period ending December 31, 2024.
2. Schedule "B" attached hereto and made part of this bylaw is hereby declared to be the Statement of Objectives and Policies.
3. This bylaw may be cited for all purposes as the "2020 – 2024 Five Year Financial Plan Bylaw No. 512, 2020".

READ A FIRST TIME THIS 11<sup>th</sup> DAY OF FEBRUARY, 2020.

READ A SECOND TIME THIS 11<sup>th</sup> DAY OF FEBRUARY, 2020.

READ A THIRD TIME THIS 14<sup>th</sup> DAY OF APRIL, 2020.

ADOPTED THIS 14<sup>th</sup> DAY OF APRIL, 2020.

  
\_\_\_\_\_  
MAYOR

  
\_\_\_\_\_  
CHIEF ADMINISTRATIVE OFFICER

**2020 - 2024 Five Year Financial Plan Bylaw No. 512, 2020**

**SCHEDULE "A"**

<b>REVENUE</b>	<b>2020 Budget</b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
Taxation	\$ 242,660	\$ 243,145	\$ 243,632	\$ 244,119	\$ 244,607
Other Jurisdiction Taxes	158,005	145,905	145,905	145,905	145,905
Frontage Taxes	47,500	47,500	47,500	47,500	47,500
Payments in Lieu of Taxes	40,000	42,000	42,000	42,000	42,000
Licenses, Permits, Rentals and Sundry	42,000	27,000	27,000	27,000	27,000
Returns on Investments	7,000	7,000	7,000	7,000	7,000
Unconditional Grants	450,000	450,000	450,000	450,000	450,000
Conditional Grants	702,500	286,900	286,900	286,900	286,900
Solid Waste Revenue	58,100	58,706	60,542	61,173	61,809
Water Revenue	60,282	60,904	61,534	62,169	62,811
Sewer Revenue	72,740	73,487	74,242	75,005	75,775
Transfer Between Funds	667,550	355,354	335,258	324,377	227,055
<b>REVENUE TOTAL</b>	<b>\$ 2,548,336</b>	<b>\$ 1,797,902</b>	<b>\$ 1,781,513</b>	<b>\$ 1,773,147</b>	<b>\$ 1,678,362</b>
<b>EXPENDITURE</b>					
General Government Services	\$ 584,005	\$ 577,375	\$ 590,198	\$ 586,076	\$ 590,510
Protective Services	319,700	111,834	62,051	63,292	64,558
Development Services	164,000	167,280	170,626	174,038	177,519
Public Works & Transportation	251,350	267,397	276,384	303,279	304,863
Parks, Recreation & Culture	54,500	55,590	56,702	57,836	58,993
Municipal Buildings	66,100	66,300	67,626	68,979	70,358
Solid Waste Expenditures	74,800	74,800	77,869	79,027	87,511
Water Expenditures	75,131	80,996	81,900	90,582	92,091
Sewer Expenditures	91,500	93,330	95,156	97,039	98,960
Capital Expenditures	867,250	303,000	303,000	253,000	133,000
<b>EXPENDITURE TOTAL</b>	<b>\$ 2,286,542</b>	<b>\$ 1,797,902</b>	<b>\$ 1,781,512</b>	<b>\$ 1,773,147</b>	<b>\$ 1,678,362</b>
<b>BUDGET TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

## 2020 - 2024 Five Year Financial Plan Bylaw No. 512, 2020

### SCHEDULE "B"

#### Statement of Objectives and Policies

In accordance with Section 165 of the *Community Charter*, the Village of Hazelton is required to include in the Five-Year Financial Plan, objectives and policies regarding each of the following:

1. Distribution of property taxes among the property classes;
2. Use of permissive tax exemptions; and
3. Proportion of total revenue that comes from each of the funding sources described in Section 165 (7) of the *Community Charter*.

#### FUNDING SOURCES

The proportion of total revenue to be raised from each funding source for 2020 is shown on Table 1.

Without grant revenues from other non-taxation sources, the Village's municipal functions simply could not be maintained at existing service levels. This year, as in previous years, the Village will be taking advantage of all possible grant opportunities, and will continue to meet its current and future goals.

#### Objectives:

- To Endeavour to supplement revenues from user fees and charges to lessen the burden on its limited property tax base.
- To investigate other potential funding sources and secure opportunities for additional revenues.
- To update development bylaws to respond to potential growth that may come with the increase in resource extraction and development activities.

#### Policies:

- The proportions of revenue proposed to come from various funding sources shall be reviewed from year to year as differing funding sources become available.
- The Village will consider the amount of revenue required to provide and maintain current service levels for all municipal services to our taxpayers. Any new or one-time expenses must be approved each year.
- Aggressively seek available grants for projects to mitigate the potential impact on property taxation rates.

**TABLE 1  
2020 REVENUES**

REVENUE SOURCE	DOLLAR VALUE	% OF TOTAL REVENUE
*Rounded to zero dollar value & does not include in-house transfers		
Conditional Grants (Project)	\$702,500	37%
Unconditional Grants (Province)	450,000	23%
Property Taxes	400,000	23%
Sewer Revenue	72,000	4%
Water Revenue	61,000	3%
Solid Waste Revenue	58,000	3%
Frontage Taxes	47,500	2%
Licenses, Permits and Rentals	42,000	2%
Payments in Lieu of Taxes	40,000	2%
Return on Investments	7,000	1%
<b>Total</b>	<b>\$1,880,000</b>	<b>100%</b>

**DISTRIBUTION OF PROPERTY TAX RATES**

Table 2 below shows the distribution of municipal property tax revenue among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class forms the largest portion of the assessment base and consumes the majority of Village services.

**Objective:**

- To set tax rates at levels comparable to other neighbouring municipalities as to be competitive for both residential and commercial property owner to purchase property in the Village as opposed to outlying areas or other communities.

**Policies:**

- The amount of taxes proposed to be collected from the classes will be adjusted for taxation increases as approved by Council annually. Class multiples and tax rates will be reviewed annually to ensure that they are relative to those set by the Provincial Government and comparable municipalities.

The table below shows the proposed distribution of municipal property tax revenue among the property classes.

**TABLE 2**

PROPERTY CLASS <small>*Municipal Tax only</small>	DOLLAR VALUE	% TAXATION
Class 1 – Residential	\$187,000	77%
Class 2 – Utilities	500	1%
Class 6 – Business/Other	54,100	21%
Class 8 - Recreation/Non-profit	1,000	1%
Total	<b>\$242,600</b>	<b>100%</b>

**PERMISSIVE TAX EXEMPTIONS**

**Objective:**

Council’s principle objective in considering permissive tax exemptions under section 224 of the *Community Charter* is to provide financial assistance to organizations that provide a valuable service to the broader community. These services may include cultural and recreational opportunities for adults and youth, promotion of the local economy and local charitable services.

**Policies:**

- The total amount of municipal revenue to be foregone by permissive tax exemptions will be approved by Council on a five-year period in the Village of Hazelton’s Tax Exemption Bylaw.
- In September/October of the fourth year, Council will review its objectives and policies prior to determining the permissive tax exemptions.
- Exemptions for 2019 were granted to Governing Council Salvation Army in the “2016 to 2020 Permissive Tax Exemption Bylaw No. 477, 2015”.