



# CASTLEGAR

## 2016-2020 Draft Financial Plan





The **Community Charter** is the governing legislation for local governments in BC. It establishes municipalities as an order of government, giving them broad powers to provide local services, regulate activities and foster the economic, social and environmental well-being of their communities. The Community Charter gives Councils powers to address existing and future community needs, as well as the authority to determine the public interest in their communities and to determine the levels of municipal expenditures and taxation that are appropriate for their purposes.

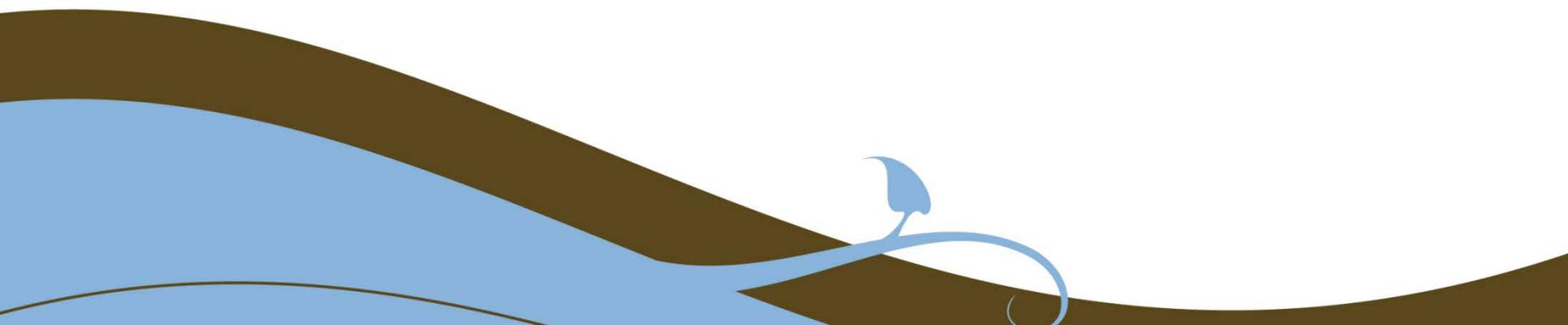
It is within this framework that Council operates, including the adoption of the Financial Plan



# CASTLEGAR

The City's financial plan is a primary policy document of City Council. It is an enabling document that sets in motion action plans in order to achieve strategic results. It is much more than dollars and cents as it directly impacts you through the services that you receive. It authorizes service levels, infrastructure projects and levels of taxation and illustrates Council's game plan to the community.

Council has stipulated that its core strategic priorities are:





# Highlights of the proposed 2016-2020 Financial Plan

## Core Strategic Priorities:

- **Infrastructure Management and the maintenance of municipal infrastructure.**
  - The 2016 -2020 Financial Plan proposes to create a separate storm water revenue model and to strengthen the City Parks service by adding a Parks Foreman position with a horticultural designation. This will add a new dimension to parks development and will enhance other general operating programs during non-park seasons.
- **Economy: development of a vibrant and sustainable economy.**
  - Council will continue to allocate financial and staff resources to initiatives that create a vibrant and sustainable economy. The City will continue to work to improve airport reliability. As well, the budget proposes to enter into a 3 year partnership with the CBT and Area's I and J to fund an Economic Development Officer.
- **Quality of Life: developing and maintaining a high quality of life.**
  - Quality of life initiatives will continue to be an important component of the budget. Castlegar will continue to support the arts and culture and implement programs that provide a social benefit to the community. The proposed budget supports new improvements to Millennium Park. The proposed Parks Foreman position will enhance the parks and recreation component of the budget.



## Highlights of the proposed 2016-2020 Financial Plan

Council has been steadfast in pursuing these goals and we believe the results are evident. The City has added subdivisions, green spaces and, roads; it has enhanced the fire department to address increased activity, supported new information technology and has expanded its workforce to ensure that staff resources are available to maintain the requirements of a growing City. The many initiatives that have been undertaken over the years have pressured the financial resources that are available for the maintenance and replacement of aging infrastructure and it is now time to ensure that the City remains financially sustainable.

The 2016 budget therefore recommends that the City levy a \$150 parcel tax to each parcel in the City for planning, construction and maintenance of a storm water infrastructure network. Furthermore, it recommends an increase in general municipal taxation of approximately \$37 per annum (\$3.08 per month), for the average household.

These measures will help to ensure that the City has the financial resources to develop and maintain its infrastructure and still remain very competitive in terms of total taxes on an average single family home.



## Highlights of the proposed 2016-2020 Financial Plan

- The storm water system represents a valuable public asset that provides many benefits to the entire City. It has been identified that it is in immediate need of development, rehabilitation and overall improvement. It has been part of the general fund since the City's inception and, as a result, competes with general fund projects such as road paving, parks enhancement and other general programs for funding.
- The storm water system controls runoff and floodwaters. It prevents pollutants from reaching rivers, creeks and streams and protects the health and safety of the public and the environment. It supports clean drinking water, clean rivers and streams and in doing so can attract investment and support overall land values.
- Runoff damage from storm events presents a risk to public safety and public works such as roads, bridges, culverts and piping. The current storm network is also impeding the ability to repave roads that require paving.



# Highlights of the proposed 2016-2020 Financial Plan

Funds available for general capital are limited and there is a critical need to address Storm Water capital work, as well as other important general capital work. The City must therefore find new and creative ways to finance infrastructure capital. Section 200 of the Community Charter provides such an opportunity through the use of parcel taxes. These will allow Council to address its number one priority, of infrastructure management, while still being mindful of its number two priority, economic development.

<b><u>Apportionment of \$150 Parcel Tax</u></b>			
<b><u>Property Class</u></b>	<b><u>Estimate of Parcels</u></b>	<b><u>Apportion to each property class</u></b>	<b><u>Percentage</u></b>
<b>Residential</b>	2,922	438,300	88.55%
<b>Utilities</b>	40	6,000	1.21%
<b>Major Industry</b>	21	3,150	0.64%
<b>Light Industry</b>	17	2,550	0.52%
<b>Commercial</b>	300	45,000	9.09%
<b>Rec/Non Profit</b>	-	-	0.00%
	3,300	495,000	100%



# Highlights of the proposed 2016-2020 Financial Plan

The proposed changes will help ensure that the City has the resources to maintain its infrastructure and still remain competitive in terms of total taxes on an average single family home. The cart below compares Castlegar's estimated 2016 taxes and charges on an average family home to 2015 taxes and charges in other area municipalities.

## Exhibit 1

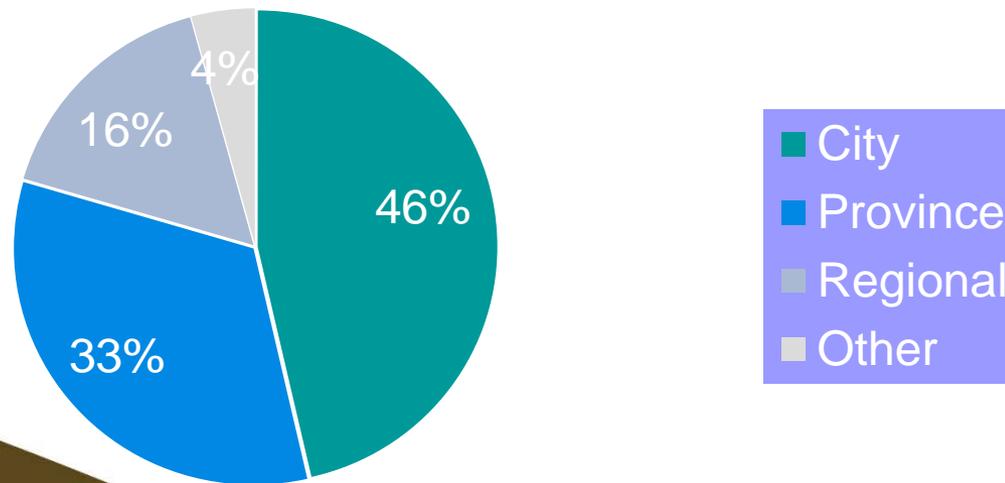
### Taxes and Charges on a Representative House, 2015 (Source: Ministry of Community Services)

Municipality.	Municipal Taxes	School	Regional District	Other	Total Taxes	Parcel Taxes	User Fees	Total
<b>Castlegar 2016 estimate</b>	882	737	360	95	2,074	150	870	3,094
<b>Trail</b>	881	524	498	63	1,966	150	701	2,817
<b>Nakusp</b>	810	549	342	136	1,837	245	670	2,752
<b>Creston</b>	1,194	551	592	48	2,385	326	518	3,229
<b>Warfield</b>	1,478	603	411	161	2,653	662	-	3,315
<b>Montrose</b>	457	678	757	171	2,063	523	592	3,177
<b>Fruitvale</b>	596	633	707	169	2,105	570	621	3,296
<b>Cranbrook</b>	1,896	629	40	56	2,621	198	714	3,533
<b>Nelson</b>	1,510	821	565	117	3,013	15	1,104	4,132
<b>Rossland</b>	1,820	720	480	163	3,183	216	650	4,049



## Highlights of the proposed 2016-2020 Financial Plan—Where Your Tax Dollars Go

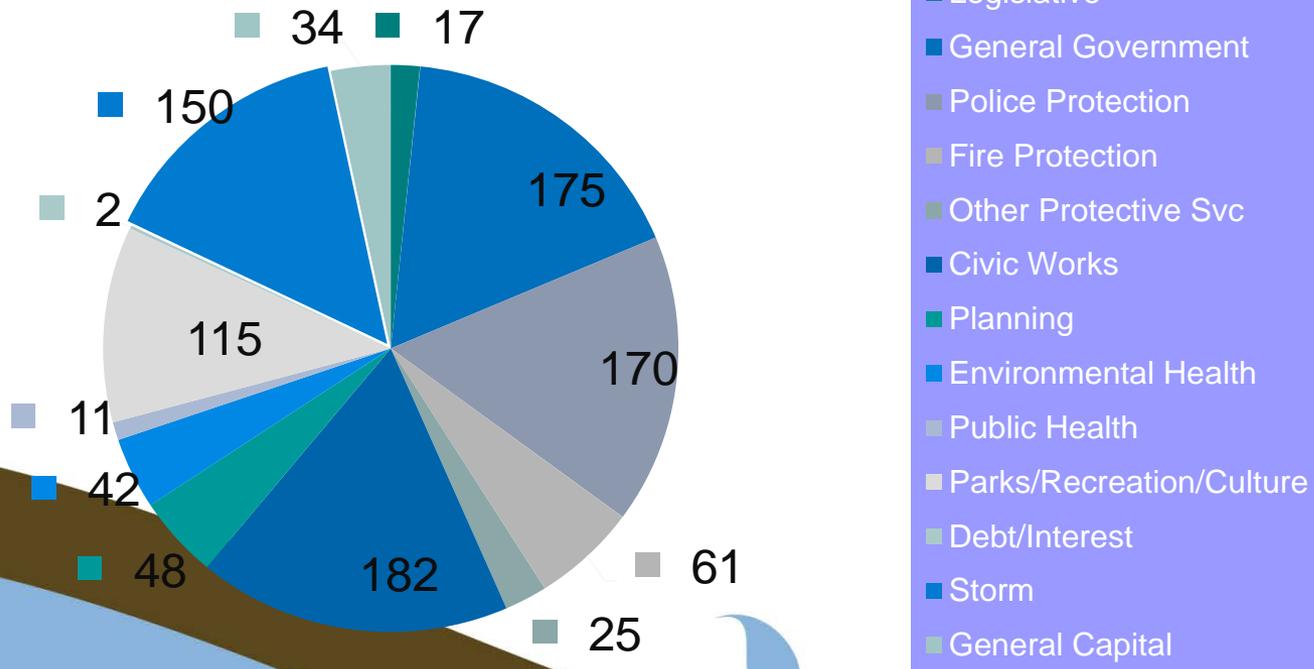
The City collects property taxes on behalf of the Regional District, the Province for schools, and other taxing jurisdictions. After factoring in the effect of the proposed changes 46% of your tax bill goes to the City of Castlegar for local municipal services and 54% goes to other taxing jurisdictions.





# Highlights of the proposed 2016-2020 Financial Plan – Where Your Tax Dollars Go

The 2016 average assessed value of a Castlegar residential property is \$261,997. Total municipal residential taxes, based on the average assessed value, are expected to be approximately \$1,032. The following chart shows what this amount is used for.





This ten year summary of storm water project initiatives shows that there is a significant backlog to storm infrastructure development.

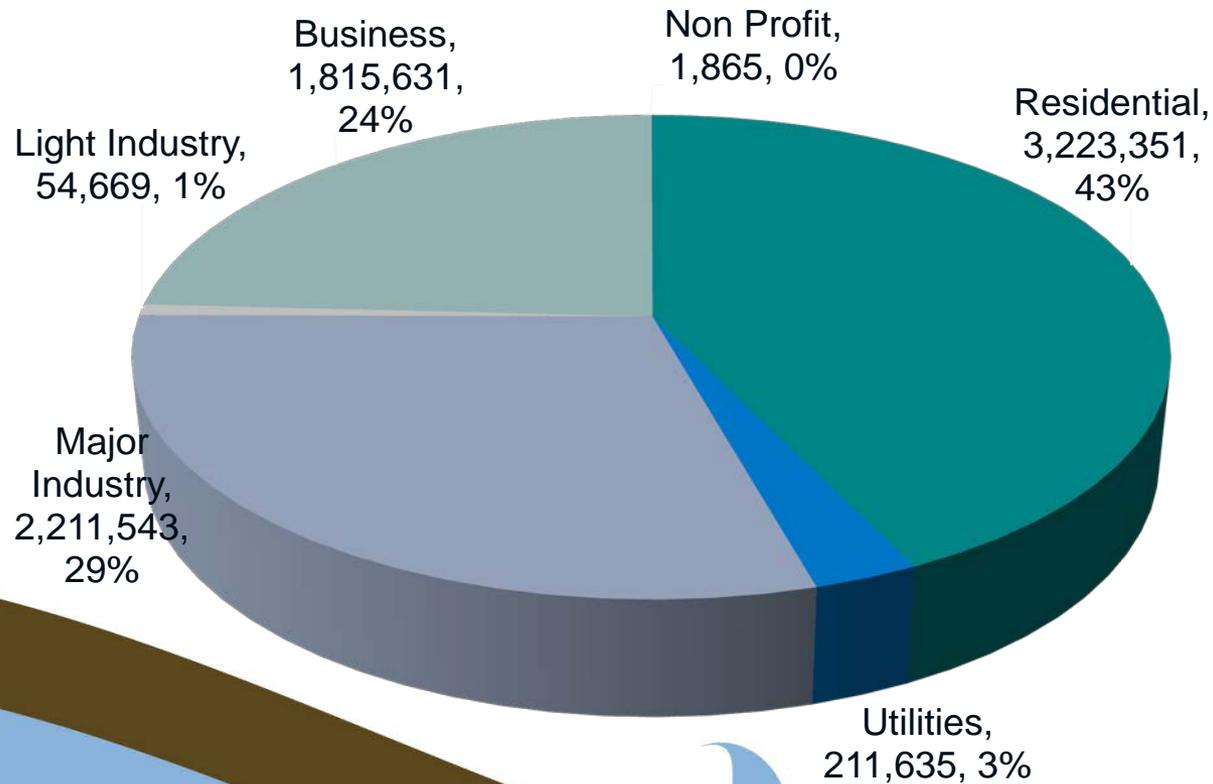
In 2016 the City will complete a Master Drainage Plan. This Master Plan will form the basis for a well developed, City wide, storm water system that will help protect public assets as well as our quality of life.

<b><u>Storm Water Project Summary Report</u></b>	
Description	2016-2025
<b><u>Revenues</u></b>	
Storm Water Parcel Tax	4,950,000
Other Revenues/Grants	<u>2,454,300</u>
Total Revenues	7,404,300
<b><u>Storm Water Initiative</u></b>	
Storm Sewer Maintenance	1,204,300
Main Upgrades, Storm	300,000
Castlegar Storm Expansion and Development	1,750,000
24th Street Storm	1,200,000
9th Avenue Storm	325,000
5th Avenue & 2nd Street Storm	410,000
Schultie Crescent Storm	60,000
10th Avenue Storm	80,000
Storm Drain - 17th St. & 18th Street	50,000
6th Street Storm - Replacement/Redevelopment	375,000
1st Avenue Storm	-
Schofield Creek Storm at Twin Rivers	400,000
Columbia Avenue Storm Project	1,000,000
Storm Master Plan/Asset Management	<u>250,000</u>
Total Expenses	<u>7,404,300</u>
Net expenses	-



## Highlights of the proposed 2016-2020 Financial Plan

After factoring in the proposed changes the City will collect approximately \$7.5 million in municipal taxes in 2016. This chart shows the amount collected from each property class.





# Highlights of the proposed 2016-2020 Financial Plan – The Capital Program

## Highlights of the 2016 Capital Program:

- Approximately \$5,000,000 has been placed in the budget for a Columbia Avenue Redevelopment Project. This project includes a significant amount of paving along Columbia Avenue. It includes replacement of aging water main infrastructure and the implementation of new pedestrian and cycling trails as called for in the Pedestrian and Cycling Master Plan. This project is budgeted to be funded by 2/3rds from senior governments.
- \$605,000 has been placed in the budget for storm system projects which includes phase II of the Storm Master Plan.
- \$1.7 million dollars has been placed in the budget to purchase a new Fire Engine Ladder Truck. The City's 1987 Fire Engine is reaching its mandatory, 30 year, replacement date. A new truck is a 20 year investment and a ladder truck will allow for development that currently doesn't exist in the City. It would be an attractive consideration for those considering developing large box stores, multi-level care facilities, a regional hospital or for other industry development.



## Highlights of the proposed 2016-2020 Financial Plan – The Capital Program

Highlights of the 2016 Capital Program, continued:

- \$350,000 is in the budget for the construction of an Anoxic Zone at the South Sewer Treatment plant. This project is expected to eliminate the need for caustic soda in order to balance the PH at the treatment plant. This will save the city as much as \$75,000, per annum in operating costs.
- \$750,000 has been placed in the budget for further development at Millennium Park in accordance with the Millennium Park Master Plan. The Columbia Basin Trust will contribute \$450,000 to the project and the Regional District (area's I and J) will contribute \$125,000.
- The budget continues to support the joint Area I, J and Castlegar Doctor Recruitment Program with a \$50,000 budget line item. Fifty percent of the funding will be provided by area's I and J.
- The budget provides continued support for Sculpture Walk, community cultural organizations and Communities in Bloom. An additional \$25,000 was provided for a Doukhobor Video and Archiving project which will jointly funded by the CBT and Area's I and J.



# Draft 2016-2020 Financial Plan

Questions

Comments

Suggestions

