Proposed Coldwater Indian Band Tax Rates 2013

PROPERTY CLASS	RATE PER \$1000 OF ASSESSED VALUE
Class 1 – Residential	9.346539
Class 2 – Utilities	60.067180
Class 4 - Major Industry	73.036890
Class 5 - Light Industry	47.547700
Class 6 - Business and Other	26.571800
Class 7 – Managed Forest Land	0.000000
Class 8 - Recreational Property/Non-Profit Organization	12.031420
Class 9 - Farm	31.844170

This form is to be used if a First Nation rates law establishes tax rates that do not meet the criteria set out in section 6 of the FNTC Standards for Rates Laws.

Please check the justification(s) that applies to your community.

Special Projects

The evaluation of annual tax rates increases will be based on the consideration of the following factors:

		В	Incremental Growth		
		С	Extraordinary Increases in the Costs of Local Services		
	X	D	Taxpayer Support		
		E	Changes in Assessment Methods		
			d forms, complete the corresponding Reporting Requirements for the justification(s) selected.		
sta	andard	ds, the	increase beyond the criteria established in section 6 of the FNTC rates law review First Nation is required to notify taxpayers of this increase. Have you given notice to ne rate increase and reasons for the rate increase?		
	Yes,	notic	e has been sent to our taxpayers. Coldwater only has 8 folios (7 utilities and		
1 light industry); however two (3) have requested justification for the rate increase.					
Kinder Morgan, Spectra Energy and Aspen Planners (light industry)					

Please provide a copy of the notice.

X

Α



A Special Projects

Special Projects are any expenditure for local services that can be attributable to a distinct project to be completed within a fixed time frame.

- A.1 Reporting Requirements for Special Projects
 - A.1.1 Provide a description of the project.

Sewage Treatment Upgrading/Disposal Field Upgrade (description attached - \$330,000)
Groundwater Supply well Development (\$986,844)
Comprehensive water study/Groundwater Supply Well Development (\$1,355,000)
Kwinshatin Ck. Diversion Structure (\$600,000)
Repairs of Coldwater Community Band Hall (\$159,650)

A.1.2 Complete the following overall project time line. Include month and date for each of the project phases.

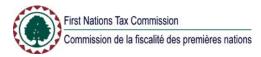
Conceptual Plan	Pre-Design	Design	Construction	Completion and Commissioning
June 4, 2009				All completed within 5 years (2019)

Please enter N/A if these project categories do not apply to this special project.

A.1.3 Complete the following construction time line for the special project

	Construction Phase I	Construction Phase II	Construction Phase III	Construction Phase IV
Description of Phase				
Date of Projected Completion				

Please enter N/A if there are fewer than 4 phases or attach an expanded table if there are more than 4 distinct construction phases.



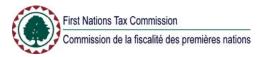
A.1.4	Please attach a signed financial administration law
A.1.5	If you do not have a financial management law (made pursuant to section 9(1)(a) of the FMA), please describe what similar instrument your community uses for long term financial management.
The C	Coldwater Indian Band has had a Finance Committee in place for several years
A.1.6	What is the operational life span of the special project? You may wish to refer to industry standards developed by professional engineers.
The o	perational life span of all projects should easily extend past 40 years with regular
mainte	enance and upgrading as required_
A.1.7	What tune of conital replacement fund has been established?
	What type of capital replacement fund has been established?
CIB C	apital Reserve Fund_
A.1.8	What is the term of the capital replacement fund?
The g	oal is to secure financing through the FN Finance Authority and complete all
projec	ets in 5 years_
-	



A.1.9	What is the projected interest rate of the capital replacement fund?
Standa	ard bank rates of 2%

A.1.10 Complete the following table describing the financing for the special project. Please complete the first 5 years of the table.

	Annual Debt Repayment	Annual property tax contribution
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		
Year 6		
Year 7		
Year 8		
Year 9		
Year 10		
Year 11		
Year 12		
Year 13		
Year 14		
Year 15		
Year 16		
Year 17		
Year 18		
Year 19		
Year 20		



	Annual Debt Repayment	Annual property tax contribution
Year 21		
Year 22		
Year 23		
Year 24		
Year 25		

A.1.11 Estimate the percentage growth in the tax base resulting from this project.

	Year 1	Year 2	Year 3	Year 4	Year 5
Percentage growth					

A.1.12 Describe the consultation you have had with your taxpayers about this tax rate change?

Notices have been sent and I have had a few phone conversations with our utility

taxpayers (Aspen Planners, Spectra Energy and Kinder Morgan). I discussed the

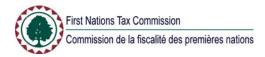
situation with Spectra Energy and Aspen Planners and sent them justification for the

increase and they did not reply negatively, so we are taking that as a positive response
and their support for the band's decision.

Kinder Morgan was supportive (e-mail attached)

All other taxpayers did not respond so this is also being considered as support for the
band's decision to adopt the City of Merritt (neighboring jurisdiction) mill rates._______

A.1.13 Please attach a summary report of total assessed values for the past three years.



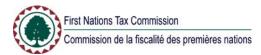
B Incremental Growth

Incremental Growth is the effect on tax rates from increases in the population base in or around the First Nation's jurisdiction leading to increased demand, by taxpayers, for local services.

- B.1 Reporting Requirements for Incremental Growth
 - B.1.1 Please complete the following table.

	2001	2003	2005	2006	2007
On reserve Population					
Regional population					

B.1.2	What source did you use for your population forecasts?
B.1.3	Describe all requests for improved services that you have received from your taxpayers?



B.1.4	Describe the consultation you have had with your taxpayers about this tax rate change?
B.1.5	Please attach the summary report of total assessed values for the past three years. $\hat{\mathbb{Q}}$



C Extraordinary Increases in the Cost of Local Services

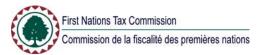
Extraordinary increases in the cost of local services can be attributable to the effects of general inflation and changes to property tax policy or legislation in other jurisdictions.

- C.1 Reporting Requirements for Extraordinary Increases in the Cost of Local Services
 - C.1.1 Please complete the following table.

	2005	2006	2007
On Reserve Population			

C.1.2 Please complete the following table of service contract costs. Specify with whom the service contract is held and the service provided in the appropriate column.

Year	Cost (\$)	Service Term	Service Provider	Service Type
2006	\$48,860		Thompson-Nicola Regional District	Solid Waste Reduction, Recycling and Disposal Agreement
Year	Cost (\$)	Service Term	Service Provider	Service Type
2007				



Year	Cost (\$)	Service Term	Service Provider	Service Type	
2008					

C.1.3	Please sp	ecify any oth	ner costs f	or you	governme	ents that are	e rising.	
	· · · · · · · · · · · · · · · · · · ·							

C.1.4 Please attach a summary report of total assessed values for the past three years. $\hat{\mathbb{Q}}$



D Taxpayer Support

Taxpayer support for the proposed rate increase should be based on a process described in the First Nation taxpayer relations law or other similar law.

л кероі	rting Requirements for Taxpayer Support
	Do you have a taxpayer relations law (made pursuant to section 5(1)(c) of the FMA) or similar law?
NO	
	Describe the provisions in your taxpayer relations law or similar law for indicating axpayer support.
N/A	
	Describe evidence of taxpayer support for the rates increase as per your taxpayer relations law or other similar law.
Notices	have been sent and I have had a few phone conversations with our utility
taxpaye	rs (Aspen Planners, Spectra Energy and Kinder Morgan). I discussed the
situation	with Spectra Energy and Aspen Planners and sent them justification for the
increase	e and they did not reply negatively, so we are taking that as a positive response
and thei	r support for the band's decision.
Kinder N	Morgan was supportive (e-mail attached)
All other	r taxpayers did not respond so this is also being considered as support for the
band's d	decision to adopt the City of Merritt (neighboring jurisdiction) mill rates



E Changes in Assessment Methods

Changes in assessment practices resulting in lower assessed values can lead to significant tax rate increases provided that the First Nation is bound to adopt these different assessment methods in order to maintain a fair and equitable taxation regime vis-à-vis adjacent taxation jurisdictions.

1 Кер	porting Requirements for Changes in Assessment Methods
E.1.1	Describe the changes in assessment practices.
E.1.2	What is the name address and telephone number of your property tax assessor?
E.1.3	How did these changes in assessment methods affect surrounding tax jurisdictions?
E.1.4	Please attach a summary report of total assessed values for the past three years. \mathbb{I}