

**TOWN OF GIBSONS**

Bylaw No. 1184

A Bylaw for establishment of a 5-year Financial Plan

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**WHEREAS** Section 165 of the *Community Charter* requires Council to adopt annually a Financial Plan covering a five year period;

**NOW THEREFORE** the Council of the Town of Gibsons, in open meeting assembled, enacts as follows:

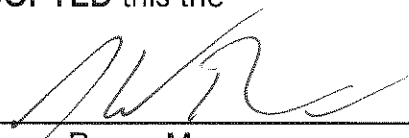
1. This Bylaw may be cited for all purposes as "2013 Financial Plan Bylaw No. 1184, 2013".
2. The Financial Plan for the Town of Gibsons covering the years 2013 - 2017 will be so shown on Schedule "A" attached hereto and forming part of this Bylaw.
3. Pursuant to Section 165 (3.1) of the *Community Charter* the Council of the Town of Gibsons has prepared a statement of revenue and tax policy as shown on Schedule "B" attached hereto and forming part of this bylaw.
4. The Financial Plan shall remain in effect until amended by bylaw or until the next year's Financial Plan is adopted.

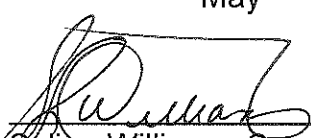
**READ** a First Time this the 16<sup>th</sup> day of April 2013

**READ** a Second Time this the 25<sup>th</sup> day of April 2013

**READ** a Third Time this the 25<sup>th</sup> day of April 2013

**ADOPTED** this the 7<sup>th</sup> day of May 2013

  
\_\_\_\_\_  
Wayne Rowe, Mayor

  
\_\_\_\_\_  
Selina Williams, Corporate Officer

**SCHEDULE "A" TO BYLAW NO. 1184**

**TOWN OF GIBSONS FINANCIAL PLAN  
FOR THE FIVE YEAR PERIOD 2013 TO 2017**

**CONSOLIDATED ALL FUNDS**

| <b>REVENUES</b>                   | <b>2013</b>      | <b>2014</b>       | <b>2015</b>       | <b>2016</b>       | <b>2017</b>       |
|-----------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Taxation                          |                  |                   |                   |                   |                   |
| Property Taxes - Existing         | 2,271,870        | 2,457,424         | 2,604,857         | 2,770,500         | 2,907,858         |
| Property Taxes - Growth           | 0                | 22,719            | 24,801            | 26,297            | 27,968            |
| 1% Utility Tax                    | 82,520           | 84,170            | 85,854            | 87,571            | 89,322            |
| Rev. cont. to capital             | 0                | 0                 | 0                 | 0                 | 0                 |
| Parcel Taxes - Water &            |                  |                   |                   |                   |                   |
| Sewer                             | 912,302          | 1,005,729         | 1,104,945         | 1,214,786         | 1,276,820         |
| Utility User Fees - Existing      | 962,578          | 980,730           | 991,084           | 1,001,646         | 1,012,419         |
| User Fee Growth                   | 0                | 9,626             | 9,853             | 9,958             | 10,063            |
| Meter Replacement                 | 55,356           | 55,356            | 55,356            | 55,356            | 55,356            |
| Fees and Charges                  | 520,129          | 530,532           | 541,142           | 551,965           | 563,004           |
| Other Sources                     |                  |                   |                   |                   |                   |
| Sale of services                  | 702,910          | 716,950           | 731,271           | 745,878           | 760,777           |
| Reserve Fund Interest             | 19,920           | 20,826            | 19,550            | 23,678            | 27,052            |
| Other Revenue                     | 608,702          | 621,000           | 633,420           | 646,088           | 659,010           |
| Government Grants (ops)           | 371,807          | 375,525           | 379,280           | 383,073           | 386,904           |
| Government Grants (capex)         | 508,850          | 93,900            | 1,957,950         | 17,400            | 18,200            |
| Proceeds from Borrowing           | 945,000          | 948,200           | 806,429           | 941,111           | 831,900           |
| Transfers Between Funds           |                  |                   |                   |                   |                   |
| From Development Cost Chg.        | 110,685          | 606,233           | 1,156,590         | 380,589           | 0                 |
| From Capital Reserve Funds        | 128,800          | 205,225           | 29,500            | 67,600            | 136,700           |
| From Reserve Funds                | 339,910          | 212,400           | 347,000           | 0                 | 0                 |
| Surplus Accounts                  | 102,864          | 12,200            | 71,000            | 0                 | 77,870            |
| Transfer Equity in Capital Assets | 1,077,480        | 1,099,030         | 1,121,010         | 1,143,430         | 1,166,299         |
| <b>TOTAL REVENUES</b>             | <b>9,721,683</b> | <b>10,057,774</b> | <b>12,670,893</b> | <b>10,066,926</b> | <b>10,007,523</b> |
| <b>EXPENDITURES</b>               |                  |                   |                   |                   |                   |
| Municipal Debt                    |                  |                   |                   |                   |                   |
| Debt Interest                     | 356,807          | 397,782           | 441,387           | 485,062           | 508,587           |
| Debt Principal                    | 380,799          | 450,140           | 481,647           | 526,220           | 557,821           |
| Capital Expenditures (All Funds)  | 2,355,800        | 2,410,200         | 4,688,900         | 1,677,600         | 1,406,600         |
| Amortization                      | 1,077,480        | 1,099,030         | 1,121,010         | 1,143,430         | 1,166,299         |
| Municipal Operations              |                  |                   |                   |                   |                   |
| General Government                | 1,712,794        | 1,747,050         | 1,781,991         | 1,817,631         | 1,853,983         |
| Protective Services               | 185,106          | 188,808           | 192,583           | 196,437           | 200,364           |
| Transportation Services           | 1,026,641        | 1,047,174         | 1,068,117         | 1,089,480         | 1,111,269         |
| Planning Services                 | 202,281          | 206,327           | 210,453           | 214,662           | 218,955           |
| Recreation and Parks              | 603,831          | 615,908           | 628,226           | 640,790           | 653,606           |
| Water                             | 815,382          | 831,690           | 848,323           | 865,290           | 882,596           |
| Sewer                             | 823,508          | 839,978           | 856,778           | 873,913           | 891,392           |
| Transfers to Reserves             |                  |                   |                   |                   |                   |
| To Reserve Funds                  | 140,034          | 163,642           | 168,041           | 181,019           | 196,906           |
| To Surplus Accounts               | 41,220           | 60,046            | 183,436           | 355,391           | 359,144           |
| <b>TOTAL EXPENDITURES</b>         | <b>9,721,683</b> | <b>10,057,774</b> | <b>12,670,893</b> | <b>10,066,926</b> | <b>10,007,523</b> |

**SCHEDULE "B" TO BYLAW 1184**

**2013 FINANCIAL PLAN STATEMENT OF REVENUE AND TAX POLICY**

**1. PROPORTION OF TOTAL REVENUES BY SOURCE**

**Objective**

- Seek alternate revenue sources with the aim of reducing reliance on property taxes.

**Policies**

- The Town will annually review user fees and charges to ensure they continue to provide cost recovery.
- The Town has essentially completed the program, begun in 2009, to install residential water meters with consumption based billings. The first metered based invoice was issued in April, 2011.
- Utility fees (water, sewer, garbage) will be set at rates to achieve cost recovery.
- Alternate revenue sources will be examined to reduce reliance on property taxes as being the major source of funding (i.e developing a geo-thermal utility)

| REVENUE SOURCE                              | TOTAL REVENUE |                    |               |
|---|---------------|--------------------|---------------|
|   | 2013 %        | 2013 \$            | 2012 %        |
| Property Taxes                              | 24.22         | \$2,354,390        | 19.57         |
| Parcel Taxes                                | 9.38          | \$912,302          | 7.37          |
| User Fees and Charges                       | 15.82         | \$1,538,063        | 12.75         |
| Other Sources-include DCC's, Trnsfs, Grants | 40.86         | \$3,971,928        | 39.06         |
| Proceeds from Borrowings                    | 9.72          | \$945,000          | 21.25         |
| <b>TOTAL</b>                                | <b>100.00</b> | <b>\$9,721,683</b> | <b>100.00</b> |

**2. DISTRIBUTION OF PROPERTY TAXES BY CLASS**

**Objective**

- To maintain the trend of the past six years of shifting the burden of taxation borne by the Class 6 - Business to Class 1 - Residential

**Policies**

- Staff will continue to review other local governments Business Tax Rate Multiples (BTRM) to ensure we remain competitive and that our BTRM is not a disincentive to businesses in choosing Gibsons as a place to invest.
- To regularly review and compare the Town's tax distribution of burden relative to other local jurisdictions.

| Property Class             | TOTAL REVENUE |                    |               |
|----------------------------|---------------|--------------------|---------------|
|                            | 2013 %        | 2013 \$            | 2012 %        |
| Class 1 – Residential      | 68.20         | \$1,543,854        | 68.18         |
| Class 2 – Utility          | 0.32          | \$7,317            | 0.33          |
| Class 5 – Light Industrial | 0.42          | \$9,599            | 0.42          |
| Class 6 – Commercial       | 30.69         | \$694,891          | 30.70         |
| Class 8 – Recreation       | 0.36          | \$8,014            | 0.36          |
| Class 9 – Farm             | 0.01          | \$193              | 0.01          |
| <b>TOTAL</b>               | <b>100.00</b> | <b>\$2,263,868</b> | <b>100.00</b> |

### 3. PERMISSIVE TAX EXEMPTIONS

#### Objective

- The Town of Gibsons realizes that many volunteer organizations contribute to the well-being of the community and are an essential component to the social fabric which we honour and cherish. Council wishes to ensure that there be an alignment of the Town's goals and culture with those of the organization who are being granted a permissive tax exemption.
- Council will consider the total exemptions granted each year having given consideration to the total tax impact of granting exemptions realizing that in doing so will shift the taxation burden to the remaining taxable properties.
- The Town will continue discussions with benefiting organizations so that all concerned are cognizant of the services provided by others to avoid duplication of services.

#### Policies

- The Town requires benefiting organizations to apply every three years for a permissive tax exemption.
- The Town will request an update from the requesting organization to ensure the property continues to be used for the purpose intended by the initial application.

#### Background

In 2012 the Town adopted Property Tax Exemption Bylaw No. 1167 which gave permissive tax exemptions for the years 2013 - 2015 to eleven (11) organizations covering thirteen (13) properties. The estimated permissive taxation exemption was \$104,882.