

TOWN OF GIBSONS

Bylaw No. 1199

A Bylaw for establishment of a 5-year Financial Plan

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 "2014 Financial Plan Bylaw No. 1199, 2014".
2. The Financial Plan for the Town of Gibsons covering the years 2014 - 2018 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 15th day of April 2014

READ a Second Time this the 22nd day of April 2014

READ a Third Time this the 22nd day of April 2014

ADOPTED this the 6th day of May 2014



Wayne Rowe, Mayor



Selina Williams, Corporate Officer

SCHEDULE "A" TO BYLAW 1199

TOWN OF GIBSONS FINANCIAL PLAN						
FOR THE FIVE YEAR PERIOD 2014 TO 2018						
CONSOLIDATED ALL FUNDS						
REVENUES	2014	2015	2016	2017	2018	
Taxation						
Property Taxes - Existing	2,402,800	2,537,481	2,681,620	2,802,387	2,927,035	
Property Taxes - Growth	0	24,028	25,615	27,072	28,295	
1% Utility Tax	95,480	97,390	99,337	101,324	103,351	
Rev. cont. to capital	0	0	0	0	0	
Parcel Taxes - Water & Sewer	981,330	1,024,597	1,046,489	1,078,049	1,217,940	
Utility User Fees - Existing	1,078,600	1,225,172	1,390,677	1,490,987	1,564,992	
User Fee Growth	0	10,786	12,252	13,907	14,910	
Meter Replacement	61,300	61,300	61,300	61,300	61,300	
Fees and Charges	582,598	594,250	606,135	618,258	630,623	
Other Sources						
Sale of services	732,455	751,392	762,046	777,287	792,833	
Reserve Fund Interest	13,559	14,951	17,074	18,552	19,948	
Other Revenue	724,785	739,281	754,066	769,148	784,531	
Government Grants (ops)	379,803	383,601	387,437	391,311	395,225	
Government Grants (capex)	469,846	67,700	366,300	234,500	135,700	
Proceeds from Borrowing	82,000	1,084,729	673,400	2,097,100	742,500	
Transfers Between Funds						
From Development Cost Chg.	24,651	850,923	51,800	574,325	0	
From Capital Reserve Funds	219,700	106,057	102,100	110,800	0	
From Reserve Funds	446,018	178,968	0	0	0	
Surplus Accounts	103,571	15,486	10,291	16,899	65,365	
Transfer Equity in Capital Assets	1,237,228	1,261,973	1,287,212	1,312,956	1,339,215	
TOTAL REVENUES	9,635,724	11,030,063	10,335,152	12,496,161	10,823,762	
EXPENDITURES						
Municipal Debt						
Debt Interest	375,633	381,039	414,893	440,450	529,246	
Debt Principal	415,801	439,979	476,407	502,487	573,008	
Capital Expenditures (All Funds)	1,594,000	2,666,000	1,564,200	3,473,500	1,399,300	
Amortization	1,237,228	1,261,973	1,287,212	1,312,956	1,339,215	
Municipal Operations						
General Government	1,910,807	1,949,023	1,988,004	2,027,764	2,068,319	
Protective Services	188,093	191,855	195,691	199,607	203,597	
Transportation Services	1,133,475	1,156,145	1,179,267	1,202,853	1,226,910	
Planning Services	240,068	244,869	249,767	254,762	259,857	
Recreation and Parks	625,942	638,461	651,230	664,255	677,540	
Water	882,014	899,654	917,647	936,000	954,720	
Sewer	851,778	868,814	886,190	903,914	921,992	
Transfers to Reserves						
To Reserve Funds	169,615	232,688	319,748	358,668	398,595	
To Surplus Accounts	11,271	99,564	204,897	218,946	271,461	
TOTAL EXPENDITURES	9,635,724	11,030,063	10,335,152	12,496,161	10,823,762	

SCHEDULE "B" TO BYLAW 1199

2014 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		
	2014 %	2014 \$	2013 %
Property Taxes	25.93	\$2,498,280	24.22
Parcel Taxes	10.18	\$981,330	9.38
User Fees and Charges	17.88	\$1,722,498	15.82
Other Sources-include DCC's, Trnsfs, Grants	45.16	\$4,351,616	40.86
Proceeds from Borrowings	.85	\$82,000	9.72
TOTAL	100.00	\$9,635,724	100.00

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 continues 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		
	2014 %	2014 \$	2013 %
Class 1 – Residential	65.19	\$1,628,623	68.20
Class 2 – Utility	4.12	\$102,993	0.32
Class 5 – Light Industrial	0.39	\$9,856	0.42
Class 6 – Commercial	29.96	\$748,381	30.69
Class 8 – Recreation	0.33	\$8,229	0.36
Class 9 – Farm	0.01	\$198	0.01
TOTAL	100.00	\$2,498,280	100.00

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 (2012) was \$104,882. There has been no change to the list of exempt properties since the bylaw was adopted.