

TOWN OF GIBSONS

Bylaw No. 1253

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:

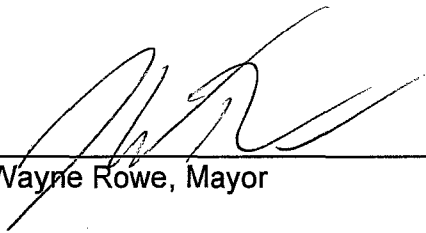
1. This Bylaw may be cited for all purposes as "2018 Financial Plan Bylaw No. 1253, 2018".
2. The Financial Plan for the Town of Gibsons covering the years 2018 - 2022 will be so shown on Schedule "A" attached hereto and forming part of this Bylaw.
3. Pursuant to Section 165 (3.1) of the *Community Charter*, 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                    8th            day of            May            2018

READ a Second Time this the                8th            day of            May            2018

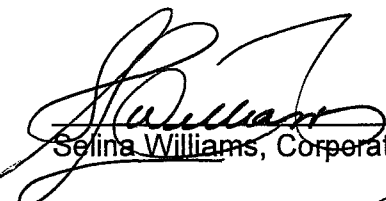
READ a Third Time this the                  8th            day of            May            2018

ADOPTED this the                                11th            day of            May            2018




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Wayne Rowe, Mayor




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Selina Williams, Corporate Officer



Certified True Copy  
SELINA WILLIAMS  
Corporate Officer

SCHEDULE "A" TO BYLAW 1253

Town of Gibsons Financial Plan  
For the five year period 2018 -2022

	2018	2019	2020	2021	2022
<b>Revenue</b>					
Municipal property taxes	\$ 2,980,149	\$ 3,166,897	\$ 3,322,912	\$ 3,428,872	\$ 3,500,580
1% Utility tax	92,740	94,595	96,487	98,416	100,385
Sale of services	874,914	892,412	910,261	928,466	947,035
Fees & Charges	701,950	715,989	730,309	744,915	759,813
Water utility - revenue	1,514,408	1,551,985	1,690,460	1,812,927	1,857,072
Sewer utility - revenue	1,447,625	1,483,432	1,520,091	1,557,694	1,596,264
Other revenue	561,294	625,717	638,596	649,215	660,524
Government transfers	1,786,786	2,723,478	1,298,067	1,257,090	997,000
Contributions & donations	302,500	405,525	306,555	309,621	312,717
<b>Total revenue</b>	<b>10,262,366</b>	<b>11,660,030</b>	<b>10,513,736</b>	<b>10,787,215</b>	<b>10,731,389</b>
<b>Expenses</b>					
General government	\$ 2,419,314	\$ 2,467,700	\$ 2,517,054	\$ 2,567,395	\$ 2,618,743
Protective services	245,691	250,603	255,615	260,727	265,942
Engineering services	1,741,128	1,775,951	1,811,470	1,847,699	1,884,653
Planning services	269,845	275,242	280,747	286,362	292,089
Parks and culture	771,310	786,736	802,471	818,520	834,891
Water utility - expenses	1,025,896	1,046,416	1,067,342	1,088,689	1,110,463
Sewer utility services	1,064,027	1,085,308	1,107,014	1,129,156	1,151,739
Other fiscal services	386,140	402,090	414,280	423,174	408,504
Amortization of tangible capital assets	1,355,750	1,382,865	1,410,522	1,438,733	1,467,507
<b>Total expenses</b>	<b>9,279,101</b>	<b>9,472,910</b>	<b>9,666,515</b>	<b>9,860,455</b>	<b>10,034,531</b>
<b>Accounting Surplus</b>	<b>983,265</b>	<b>2,187,120</b>	<b>847,221</b>	<b>926,760</b>	<b>696,858</b>
<b>Reserves, capital and debt</b>					
Capital expenditures	\$(4,417,500)	\$(6,353,700)	\$(2,694,200)	\$(1,441,900)	\$(1,828,800)
Debt principal	(406,323)	(472,719)	(591,534)	(639,914)	(593,425)
Transfer equity in capital assets	1,355,750	1,382,865	1,410,522	1,438,733	1,467,507
Reserves used for Capital & projects	844,111	1,926,125	636,138	45,000	1,293,700
Surplus used for capital & projects	88,915	520,915	-	-	-
Proceeds from debt	1,844,400	1,324,500	895,268	276,000	-
Transfer to reserves	(292,618)	(515,106)	(503,416)	(604,679)	(1,035,840)
<b>Total budget for the year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**SCHEDULE "B" TO BYLAW 1253**

**2018 FINANCIAL PLAN OBJECTIVES AND POLICIES**

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

**Objective**

- To seek alternate and innovative revenue streams with the aim of lessening the Town's 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 completed a program, begun in 2009, to install residential water meters that form the basis of consumption-based billing. The first meter-based invoices were issued in April, 2011. Semi-annual invoices are issued in April and October of each year.
- Utility fees (water, sewer, garbage) are set at rates to achieve cost recovery.
- Alternate revenue sources are examined to reduce reliance on property taxes as the major source of funding (e.g. geo-thermal utility, natural gas franchise fees).

REVENUE SOURCE	TOTAL REVENUE		
	2018 %	2018 \$	2017 %
Property taxes	29.04%	\$ 2,980,149	27.92%
1% Utility tax	0.90%	\$ 92,740	0.90%
Sale of services	8.53%	\$ 874,914	7.98%
Fees and charges	6.84%	\$ 701,950	6.42%
Utilities revenue	28.86%	\$ 2,962,033	28.29%
Other revenue	5.47%	\$ 561,294	6.25%
Government transfers	17.41%	\$ 1,786,786	21.79%
Contributions and donations	2.95%	\$ 302,500	0.45%
<b>TOTAL</b>	<b><u>100.00%</u></b>	<b><u>\$ 10,262,366</u></b>	<b><u>100.00%</u></b>

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

**Objective**

- To ensure an appropriate tax burden ratio of 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. At present, Gibsons' BTRM is competitive with other local governments of similar size.
- To regularly review and compare the Town's tax distribution of burden relative to other local jurisdictions.

Property Class	TOTAL REVENUE		
	2018 %	2018 \$	2017 %
Class 1 – Residential	66.94%	\$2,057,252	69.03%
Class 2 – Utility	3.30%	\$8,787	0.29%
Class 5 – Light Industrial	0.38%	\$11,526	0.39%
Class 6 – Commercial	29.18%	\$896,552	30.08%
Class 8 – Recreation	0.19%	\$5,801	0.19%
Class 9 – Farm	0.01%	\$232	0.01%
<b>TOTAL</b>	<b>100%</b>	<b>\$2,980,149</b>	<b>100%</b>

### 3. PERMISSIVE TAX EXEMPTIONS

#### Objective

- The Town of Gibsons recognizes that many volunteer organizations contribute to the well-being of our community and are an essential component of the social fabric which we honour and cherish. Council wishes to ensure that there is an alignment of the Town's goals and culture with those of the organizations which are being granted a permissive tax exemption.
- Council recognizes that granting permissive tax exemptions to some properties shifts the tax burden to the Town's remaining taxable properties. Accordingly, it will consider the total impact on each year's taxes of granting these exemptions.
- To avoid duplication of services, the Town will continue discussions with benefiting organizations, so that all concerned are aware of the services provided by others.

#### Policies

- The Town requires benefiting organizations to apply every five years for a permissive tax exemption.
- At the time of reapplication, the Town will request an annual update from the requesting organization to ensure the property continues to be used for the purpose intended by the initial application. If an organization has discontinued providing services at the property, an amendment bylaw will be requested.

#### Background

In 2016, the Town adopted Property Tax Exemption Bylaw No. 1216 which gave permissive tax exemptions for the years 2016 - 2019 to thirteen (13) organizations covering sixteen (16) properties. In 2016, the estimated annual permissive taxation exemption was \$187,944.

4. TRANSFERS TO AND FROM RESERVES

Transfers From Reserves	2018	2019	2020	2021	2022
Mobile Machinery Reserve	\$103,000	\$115,000	\$173,000	\$45,000	\$497,000
Capital Reserves	46,000	49,757	314,528	-	35,000
Reserve for Future Expenditure General	157,400	-	-	-	-
Reserve for Future Expenditure Water	44,422	-	-	-	-
Reserve for Future Expenditure Sewer	44,800	-	-	-	-
Gas Tax	72,000	300,000	35,600	-	336,000
Storm DCC's	214,405	655,380	113,010	-	425,700
Road DCC's	-	23,760	-	-	-
Water DCC's	31,192	-	-	-	-
Sewer DCC's	130,892	782,228	-	-	-
Surplus - General	-	-	-	-	-
Surplus - Water	88,915	-	-	-	-
Surplus - Sewer	-	520,915	-	-	-
Totals	\$933,026	\$2,447,040	\$636,138	\$45,000	\$1,293,700

Transfers to Reserves	2018	2019	2020	2021	2022
Mobile Machinery Reserve	\$124,000	\$125,240	\$126,492	\$127,757	\$129,035
Capital Reserves	168,618	138,866	125,924	225,922	655,805
Gas Tax	-	251,000	251,000	251,000	251,000
Totals	\$292,618	\$515,106	\$503,416	\$604,679	\$1,035,840

## 5. DIVERSION OF ORGANIC WASTE FROM THE LANDFILL

### Objective

- To reduce the volume of household waste being sent by Town of Gibsons residents to the Sechelt Landfill.
- To prepare Town of Gibsons residents for the anticipated ban of organics material at the Sechelt Landfill.
- To reduce the greenhouse gases and leachate created by Town of Gibsons residents.
- To increase the overall sustainability of the Town's geographic region, by supporting environmentally friendly initiatives, such as the conversion of kitchen scraps into nutrient-rich soil.

### Policy

Maintain a reliable and efficient collection service for the pick-up and disposal of organic waste from single family and multi-family (strata) residential dwellings.

### Background

Capacity at the Sechelt Landfill (where the Town's garbage is disposed) is estimated to be less than 10 years, with future expansion of the landfill (or construction of a new landfill) expected to be difficult and expensive. As almost half of the waste sent to the landfill is made up of compostable organic material, removing this waste from the regular garbage stream is a simple way to reduce the volume of waste going to the landfill. Additionally, we expect the Sunshine Coast Regional District (SCRD) to implement a ban on organic waste at the landfill in the next year. Accordingly, the Town of Gibsons has decided to move forward with a program to divert organic waste (food scraps) from our garbage collection service. By diverting organic waste to Salish Soils (a composting facility in Sechelt) for conversion into compost, the Town significantly reduces the creation of greenhouse gases and leachate, while creating nutrient-rich soil.

## 6. ASSET MANAGEMENT

### Objective

Council's vision and goal for the community includes providing a safe, livable and economically vibrant community underpinned by well-managed and maintained infrastructure assets. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of, where appropriate, in accordance with the Town's Levels of Service priorities and available resources.

### Policies

Council is planning to increase user fees, parcel taxes and taxation taking steps to address the funding shortfall that exists for asset maintenance, renewal and replacement. The Town of Gibsons will pro-actively increase amounts being transferred to reserves through the annual budget process.

### Background

The Town of Gibsons is committed to implementing a formalized Asset Management program. These assets include but are not limited to efficient transportation networks, an economical and reliable water distribution network, a safe and reliable sewage collection system, reliable information technology systems, appropriate fleets, and accessible parks, recreation and civic facilities.

## 7. COMMUNITY DEVELOPMENT

### Objective

- To support the development of single family, multi-family, seniors housing and mixed-use neighborhoods (which are all integral to the continued growth of our community).
- To endorse site designs which balance the need for privacy and security with the need to retain an attractive streetscape and sense of "fit" in the neighbourhood.

### Policy

The overall goal is to create more livable communities that increase the quality of life for everyone. Smart growth incorporates and integrates the three pillars of sustainability:

- Ecological Sustainability: environmental protection
- Social Sustainability: social justice and equity
- Economic Sustainability: economic stability and efficiency

### Background

Council recognises that the Town of Gibsons lacks housing units. Accordingly, it recognises the need to consider developments that: fill the housing requirements of the town; fit into the community, and; are consistent with the Town's Official Community Plan.

