

TOWN OF GIBSONS

Bylaw No. 1225

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 "2016 Financial Plan Bylaw No. 1225, 2016".
2. The Financial Plan for the Town of Gibsons covering the years 2016 - 2020 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	19 th	day of	April, 2016
READ a Second Time this the	19 th	day of	April, 2016
READ a Third Time this the	19 th	day of	April, 2016
ADOPTED this the	3 rd	day of	May, 2016



Wayne Rowe, Mayor



Selina Williams, Corporate Officer

SCHEDULE "A" TO BYLAW 1225

Town of Gibsons Financial Plan For the Five Year Period 2016 - 2020

CONSOLIDATED ALL FUNDS

REVENUES	2016	2017	2018	2019	2020
Taxation					
Property Taxes - Existing	2,655,547	2,801,256	2,836,635	2,889,525	2,970,998
Property Taxes - Growth	58,243	27,138	28,284	28,649	29,182
1% Utility Tax	94,415	96,303	98,229	100,194	102,198
Fortis BC Operating Fee	9,830	38,770	38,770	38,770	38,770
Parcel Taxes - Water & Sewer	1,327,836	1,381,136	1,430,019	1,458,620	1,487,792
Utility User Fees - Existing	1,250,435	1,318,875	1,397,948	1,439,359	1,482,406
User Fee Growth	-	12,504	13,189	13,979	14,394
Meter Replacement	138,000	144,900	152,145	155,188	158,292
Fees and Charges	527,410	537,958	548,717	559,692	570,886
Other Sources					
Sale of services	761,781	777,017	792,557	808,408	824,576
Reserve Fund Interest	21,748	24,475	25,567	27,884	30,690
Other Revenue	616,283	628,609	641,181	654,004	667,085
Gas Tax Grants (ops)	48,000	48,000	48,000	48,000	48,000
Government Grants (ops)	960,638	970,244	979,947	989,746	999,644
Government Grants (capex)	313,400	582,367	1,123,000	221,762	282,000
Proceeds from Borrowing	392,000	320,544	-	906,671	264,152
Transfers Between Funds					
From Development Cost Chg.	209,268	602,142	1,334,722	975,025	324,536
From Capital Reserve Funds	93,100	184,000	128,700	112,800	431,700
From Reserve Funds	195,705	14,500	496,620	-	116,000
Surplus Accounts	-	-	-	-	-
Transfer Equity in Capital Assets	1,228,323	1,252,889	1,277,947	1,303,506	1,329,576
TOTAL REVENUES	10,901,962	11,763,627	13,392,177	12,731,783	12,172,875
EXPENDITURES					
Municipal Debt					
Debt Interest	322,898	330,643	336,438	316,629	317,327
Debt Principal	438,109	463,554	409,433	396,550	390,312
Capital Expenditures (All Funds)	1,523,400	2,333,300	3,854,400	2,534,700	1,902,000
Amortization	1,228,323	1,252,889	1,277,947	1,303,506	1,329,576
Municipal Operations					
General Government	2,228,248	2,215,693	2,260,007	2,305,207	2,351,311
Protective Services	197,915	201,875	205,911	210,029	214,230
Transportation Services	1,336,483	1,222,453	1,246,902	1,271,840	1,297,277
Planning Services	347,111	290,609	296,421	302,350	308,397
Recreation and Parks	821,987	662,069	675,310	688,816	702,593
Water	1,019,781	1,040,177	1,060,980	1,082,200	1,103,844
Sewer	869,778	887,174	904,917	923,015	941,476
Transfers to Reserves					
To Reserve Funds	212,163	218,606	223,492	229,680	236,431
To Surplus Accounts	355,766	644,584	640,018	1,167,261	1,078,101
TOTAL EXPENDITURES	10,901,962	11,763,627	13,392,177	12,731,783	12,172,875

SCHEDULE "B" TO BYLAW 1225

2016 FINANCIAL PLAN STATEMENT OF REVENUE AND TAX POLICY

1. PROPORTION OF TOTAL REVENUES BY SOURCE

Objective

- Seek alternate and innovative revenue streams with the aim of lessening the reliance on property taxes.

Policies

- The Town will annually review user fees and charges to ensure they continue to provide cost recovery.
- The Town completed a program, begun in 2009, to install residential water meters that form the basis of a consumption based billing. The first metered based invoice were issued in April, 2011. Semi-annual invoices are issued in April and October.
- 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 being the major source of funding (i.e. geo-thermal utility, natural gas franchise fees)

REVENUE SOURCE	TOTAL REVENUE		
	2016 %	2016 \$	2015 %
Property Taxes	25.75	\$2,808,205	24.26
Parcel Taxes	12.18	\$1,327,836	12.59
User Fees and Charges	17.57	\$1,915,845	16.26
Other Sources-include DCC's, Trnsfs, Grants	40.90	\$4,458,076	43.48
Proceeds from Borrowings	3.60	\$392,000	3.41
TOTAL	<u>100.00</u>	<u>\$10,901,962</u>	<u>100.00</u>

2. DISTRIBUTION OF PROPERTY TAXES BY CLASS

Objective

- To maintain the trend of the past eight 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. Gibson's BTRM has been reduced over the previous year and continues a 10 year downward trend.
- To regularly review and compare the Town's tax distribution of burden relative to other local jurisdictions.

Property Class	TOTAL REVENUE		
	2016 %	2016 \$	2015 %
Class 1 – Residential	65.43	\$1,837,527	65.63
Class 2 – Utility	3.65	\$102,566	4.06
Class 5 – Light Industrial	0.38	\$10,693	0.39
Class 6 – Commercial	30.21	\$848,277	29.59
Class 8 – Recreation	0.32	\$8,927	0.32
Class 9 – Farm	0.01	\$215	0.01
TOTAL	<u>100.00</u>	<u>\$2,808,205</u>	<u>100.00</u>

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 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 than an amendment bylaw will be requested.

Background

In 2015 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. The estimated permissive taxation exemption (2016) was \$187,944.