

## TOWN OF GIBSONS

### Bylaw No. 1266

#### 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 "2019 Financial Plan Bylaw No. 1266, 2019".
2. The Financial Plan for the Town of Gibsons covering the years 2019 - 2023 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 30th day of April, 2019

**READ** a Second Time this the 30th day of April, 2019

**READ** a Third Time this the 30th day of April, 2019

**ADOPTED** this the 7th day of May, 2019

  
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William Beamish, Mayor  
\_\_\_\_\_  
Lindsey Grist, Corporate Officer

# SCHEDULE "A" TO BYLAW 1266

## Town of Gibsons Financial Plan For the five year period 2019 -2023

	2019	2020	2021	2022	2023
Revenue					
Municipal property taxes	\$3,256,173	\$3,414,219	\$3,581,988	\$3,756,468	\$3,937,926
1% Utility tax	101,128	101,953	101,953	101,953	101,953
Sale of services	991,550	1,021,400	1,031,614	1,041,930	1,052,349
Fees & Charges	634,211	600,251	666,854	606,254	612,316
Water utility - revenue	1,696,883	1,732,753	1,819,390	1,910,360	2,005,878
Sewer utility - revenue	1,607,106	1,649,042	1,731,494	1,818,068	1,908,972
Other revenue	610,500	627,600	627,600	627,600	627,600
Government transfers	1,261,255	1,023,987	1,023,987	1,023,987	1,023,987
Contributions & donations	11,500	5,630	11,556	11,672	11,789
Total revenue	10,170,306	10,176,835	10,596,436	10,898,292	11,282,770
Expenses					
General government	\$2,513,231	\$2,493,056	\$2,530,452	\$2,568,409	\$2,606,935
Protective services	294,755	297,321	301,781	306,308	310,902
Engineering services	1,579,150	1,756,435	1,773,999	1,791,739	1,809,657
Planning services	359,692	423,849	430,207	436,660	443,210
Parks and culture	729,524	703,979	714,538	725,256	736,135
Water utility - expenses	1,217,608	1,283,418	1,341,363	1,354,777	1,485,126
Sewer utility services	1,287,360	1,301,033	1,326,243	1,339,505	1,352,901
Other fiscal services	197,300	185,677	172,447	170,947	157,462
Amortization of tangible capital assets	1,390,100	1,397,051	1,411,021	1,425,131	1,439,383
Total expenses	9,568,719	9,841,819	10,002,052	10,118,733	10,341,710
Accounting Surplus	601,587	335,016	594,385	779,559	941,061
Reserves, capital and debt					
Capital expenditures	\$(10,686,000)	\$(3,147,000)	\$(1,630,000)	\$(2,744,000)	\$(1,227,000)
Debt principal	(459,834)	(423,138)	(555,053)	(533,053)	(377,522)
Transfer equity in capital assets	1,390,100	1,397,051	1,411,021	1,425,131	1,439,383
Reserves used for Capital & projects	1,961,025	1,687,045	554,930	1,193,115	311,610
Surplus used for capital & projects	643,131	0	0	0	0
Proceeds from debt	5,517,000	0	0	0	0
Transfer to reserves	(699,520)	(519,974)	(622,583)	(560,753)	(1,087,531)
Grants, Donations & Community Amenity	1,732,510	671,000	247,300	440,000	0
Total budget for the year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

## SCHEDULE "B" TO BYLAW 1253

### 2018 FINANCIAL PLAN OBJECTIVES AND POLICIES

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

##### Objective

Over the next four years, the Town will continue to review the proportion of revenue that is received from user fees and charges to determine whether the user-fee component could be increased to lessen the requirement for property taxation.

##### Policies

- The Town will review all user-fee levels to ensure that they are adequately meeting the costs of the service.
- Where possible, the Town will endeavour to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on a limited property tax base. This will include a review of all fees and charges bylaws.
- 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		
	2019 %	2019 \$	2018 %
Property taxes	32.83%	\$3,256,173	29.04%
1% Utility tax	1.02%	\$101,128	0.90%
Sale of services	10.00%	\$991,550	8.53%
Fees and charges	6.39%	\$634,211	6.84%
Utilities revenue	33.31%	\$3,303,990	28.86%
Other revenue	6.15%	\$610,500	5.47%
Government transfers	10.18%	\$1,010,078	17.41%
Contributions and donations	0.12%	\$11,500	2.95%
<b>TOTAL</b>	<u>100.00%</u>	\$9,919,129	<u>100.00%</u>

#### 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		
	2019 %	2019 \$	2018 %
Class 1 – Residential	69.19%	2,242,566.10	66.94%
Class 2 – Utility	1.11%	35,960.00	3.30%
Class 5 – Light Industrial	0.38%	12,390.45	0.38%
Class 6 – Commercial	28.63%	927,806.49	29.18%
Class 8 – Recreation	0.68%	22,200.00	0.19%
Class 9 – Farm	0.01%	249.39	0.01%
<b>TOTAL</b>	<b>100%</b>	<b>\$3,241,172.43</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 2018, the Town adopted Property Tax Exemption Bylaw Amendment No. 1216-03 which gave permissive tax exemptions for the year 2019 to twelve (12) organizations covering fifteen (15) properties. In 2018, the estimated annual permissive taxation exemption was \$142,550.

#### 4. TRANSFERS TO AND FROM RESERVES

Transfers From Reserves	2019	2020	2021	2022	2023
Mobile Machinery Reserve	\$ 118,000	\$ 26,000	\$ 79,000	\$ 690,000	\$ 135,000
Capital Reserves	-	-	104,520	-	-
Reserve for Future Expenditure General	233,254	105,000	-	8,036	-
Reserve for Future Expenditure Water	255,616	46,075	43,280	12,844	-
Reserve for Future Expenditure Sewer	-	-	-	46,655	-
Gas Tax	575,000	304,000	60,000	336,000	100,000
Affordable Housing Reserve	57,500	11,000	-	-	-
Storm DCC's	206,910	897,930	186,530	72,850	76,610
Road DCC's	221,840	-	-	26,730	-
Water DCC's	-	297,040	81,600	-	-
Sewer DCC's	337,905	-	-	-	-
Surplus - General	5,500	-	-	-	-
Surplus - Water	-	-	-	-	-
Surplus - Sewer	637,631	-	-	-	-
Totals	2,649,156	\$1,687,045	\$ 554,930	\$1,193,115	\$311,610

Transfers to Reserves	2019	2020	2021	2022	2023
Mobile Machinery Reserve	\$152,803	\$173,720	\$173,720	\$173,720	\$173,720
Capital Reserves	37,920	44,038	55,830	132,033	229,832
Reserve for Future Expenditure General	3,000	3,000	3,000	3,000	3,000
Reserve for Future Expenditure Water	3,443	-	-	-	51,126
Reserve for Future Expenditure Sewer	-	47,216	138,033	-	377,853
Gas Tax	502,354	252,000	252,000	252,000	252,000
Totals	\$699,520	\$519,974	\$622,583	\$560,753	\$1,087,531

#### 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 proactively 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.