

# NO EASY SOLUTIONS IN BUDGET PROCESS

By Mayor Bill Beamish

As has been widely reported in our local newspapers, municipal governments are currently working hard to develop their annual budgets and five-year financial plans. This is a highly collaborative effort between staff and Council, who work together to design a fiscal plan that maximizes limited funds to effectively address the ongoing operational needs of the municipality while meeting our strategic priorities of climate change, asset management and emergency planning.

In this work, the Town of Gibsons has been extremely fortunate to have a series of long-sighted Finance Directors, who have been well-supported by equally prudent Councils. As a result, over the past seven years and via a series of utility fee and parcel tax increases, we have been able to move our water and sewer systems toward true financial sustainability (where the revenue collected covers both day-to-day operating expenses AND future infrastructure replacement costs).

So does that mean staff and Council can put the Town's financial plans on cruise control for the next few years? Of course not! Because now, we have another large – and compulsory – expense we must begin to plan for.

In brief, the Town is currently policed by the RCMP and pays 30% of the associated costs (\$403,000 in 2018.) However, after we cross the 5,000 person population threshold (which will very likely occur in the 2021 census) we become responsible for providing and bearing the necessary expenses of policing and law enforcement services in our boundaries.

According to a recent report by the Town's Police Services Select Committee (PSSC), this will require an estimated additional \$740,000 to \$1 million in taxation each year, depending on the number of personnel we hire.

It's a huge jump, especially when you consider the fact that a 1% tax increase translates into about \$32,000 in additional revenue. So where does the extra funding come from? And what can we do now to help ease the transition?

It's one of the more difficult fiscal challenges Council will seek to address in upcoming budgets – and one I encourage Town stakeholders to get up to speed on. Start by reading the PSSC's recent report to Council, entitled [The Future of Policing in Gibsons](#). Attend our budget sessions beginning February 25th and listen in on Council discussions. Come out to our budgetary Open House in April, where staff and Council will be available to review key budget decisions. And sign up for the Town's monthly digital newsletter to receive updates on this and other important topics.

Alternately, contact me directly at [mayor@gibsons.ca](mailto:mayor@gibsons.ca). I'm always interested to hear your thoughts.

