

Agenda for the Special Meeting of the Council of the Village of Gold River to be held Wednesday, April 24, 2019 in Council Chambers, Municipal Hall, 499 Muchalat Drive, Gold River B.C. commencing at 7:00 p.m.

AGENDA

CALL TO ORDER

INTRODUCTION OF LATE ITEMS

APPROVAL OF AGENDA

ADOPTION OF MINUTES

UNFINISHED BUSINESS

REPORTS

Deputy Treasurer - 2019 Financial Plan & Tax Rates Bylaws.

COUNCIL INFORMATION ITEMS

BYLAWS

Bylaw No. 715, 2019 – A bylaw of the Village of Gold River respecting the Financial Plan for the year 2019.

Bylaw No. 716, 2019 – A bylaw to authorize the levying of tax rates for Municipal, Regional District, Regional Solid Waste Management, Regional Hospital District and Library purposes for the year 2019.

CORRESPONDENCE

QUESTION PERIOD

NEW BUSINESS

NOTICE OF MOTION

MOTION TO ADJOURN IN CAMERA

RISE AND REPORT

TERMINATION



Memo

To: Mayor & Council

From: Maxine McLean
Deputy Treasurer

Re: **2019 Financial Plan & Tax Rates Bylaws**

Purpose

To present the 2019-2023 Financial Plan and 2019 Tax Rate Bylaws on tonight's Agenda for Council consideration.

Background

At the April 1st Council meeting the 2019-2023 Financial Plan Bylaw #715 was presented for 1st reading. The Tax Requisitions from the government agencies were received this week and Staff has prepared the Tax Rates bylaw for 2019. Under the Community Charter, both the Financial Plan Bylaw and the Tax Rates Bylaw are required to be passed prior to May 15th.

Analysis

If following the Financial Presentation tonight Council doesn't intent to make any changes, Council may wish to proceed with 2nd & 3rd reading of the Financial Plan Bylaw #715 and the 1st, 2nd and 3rd reading of the Tax Rates Bylaw #716. This would allow for final adoption of both Bylaws at the May 6th Council meeting, not requiring any special meetings to complete this process.

Respectfully Submitted,

Maxine McLean,
Deputy Treasurer

VILLAGE OF GOLD RIVER

Bylaw No. 715, 2019

A bylaw of the Village of Gold River respecting
the Financial Plan for the year 2019

WHEREAS Section 165 of the *Community Charter*, 2003, S.B.C. Chapter 26 provides that the Council must have a financial plan adopted annually, by bylaw, before May 15 and that the planning period for a financial plan shall be 5 years, being the year in which it is specified to come into force and the following 4 years;

NOW THEREFORE the Council of the Village of Gold River, in open meeting assembled, enacts as follows:

1. Schedules "A", "B", "C" and "D" attached hereto and made part of this bylaw, are hereby declared to be the financial plan of the Village of Gold River commencing in the year 2019.
2. This bylaw may be cited for all purposes as the "Village of Gold River Financial Plan Bylaw No. 715, 2019".

READ A FIRST TIME THE	1 ST	DAY OF	April	2019.
READ A SECOND TIME THE		DAY OF		2019.
READ A THIRD TIME THE		DAY OF		2019.
ADOPTED THE		DAY OF		2019.

B. Unger

Mayor

L. Plourde

Corporate Administrator

Village of Gold River
5-Year Operating Statement 2019 - 2023
Schedule "A"

<u>Operating Revenue:</u>	2019	2020	2021	2022	2023
Taxes	950,400	978,900	1,008,300	1,038,500	1,119,700
General Operating Grants	471,600	472,500	488,200	504,400	521,100
Sale of Service - Recreation	107,400	110,600	113,900	117,400	120,900
Sale of Service - Wharf	75,000	77,300	79,600	82,000	84,400
Sale of Service - Other	539,700	555,900	572,600	562,300	552,600
Licences, Permits & Fines	9,400	9,500	9,600	9,700	9,800
Penalties & Interest on Taxes	7,000	7,000	7,000	7,000	7,000
General Investment Interest	110,000	103,000	96,000	90,000	90,000
Other Revenue	32,500	33,000	33,500	34,000	34,500
Contribution - External Sources	0	0	0	0	0
Sewer Revenue (inclcs. Interest & Grants)	368,500	296,300	310,800	320,100	336,100
Water Revenue (inclcs. Interest & Grants)	196,100	195,400	205,200	215,400	226,200
Total Operating Revenue	2,867,600	2,839,400	2,924,700	2,980,800	3,102,300
<u>Operating Expenditures:</u>					
Government Operations	644,800	686,100	696,400	706,800	717,400
Protective Services	156,800	142,800	145,100	147,300	149,600
Public Works Services	629,100	612,100	621,400	630,700	639,300
Recreation Services	1,010,700	999,000	1,013,900	1,029,600	1,044,600
Community Development	215,600	193,500	196,700	199,700	202,900
Fiscal Services	31,400	4,500	4,500	4,500	4,500
Operating Contingency	20,000	20,000	20,000	20,000	20,000
Sewer Operations	390,200	284,900	289,200	293,500	297,900
Water Operations	270,800	240,900	244,500	248,100	251,900
Total Departmental Expenditures	3,369,400	3,183,800	3,231,700	3,280,200	3,328,100
Surplus/(Deficit) Before Amortization	-501,800	-344,400	-307,000	-299,400	-225,800
Amortization Expense-General	-388,600	-388,600	-388,600	-388,600	-388,600
Amortization Expense-Sewer	-60,700	-60,700	-60,700	-60,700	-60,700
Amortization Expense-Water	-31,500	-31,500	-31,500	-31,500	-31,500
Operating Surplus/(Deficit)	-982,600	-825,200	-787,800	-780,200	-706,600
Contributions to Reserve Fund	0	0	0	0	0
Contributions to Capital (Sewer) Fund	0	0	0	0	0
Contributions to Reserve Account	0	0	0	0	0
Transfer from Reserve Accounts (Ec Dev)	0	0	0	0	0
Net Contributions to/from Reserve	0	0	0	0	0
Adjust for Non-Cash Items (Amortization)	480,800	480,800	480,800	480,800	480,800
Appropriation from Surplus	-501,800	-344,400	-307,000	-299,400	-225,800
general departmental surplus required	405,400	310,300	289,300	293,300	238,300
Sewer Surplus required	21,700	-11,400	-21,600	-26,600	-38,200
Water Surplus required	74,700	45,500	39,300	32,700	25,700
	501,800	344,400	307,000	299,400	225,800

Village of Gold River
5-year Capital Plan 2019 -2023
Schedule "R"

General Capital Fund	2019	2020	2021	2022	2023
Municipal Dock Reserve	0	0	0	150,000	
Federal Gas Tax Funds	0	100,000	0	100,000	0
Transport Canada Funds	0	140,000	0	0	
General Capital Reserve	<u>230,000</u>	<u>80,000</u>	<u>175,000</u>	<u>60,000</u>	<u>245,000</u>
Total General Capital Funding	230,000	320,000	175,000	310,000	245,000
Buildings					
	0	0	0	0	
Total Buildings	0	0	0	0	0
General Capital Projects					
Machinery and Equipment :					
PSB - Phone System	0	15,000	0	0	0
PSB -Photocopier/Heat system	15,000	0	0	0	0
Fire Dept. - MSA Packs/Air Compressor	25,000	0	20,000	0	0
Public Works - Manlift/DumpPick-up/ Backhoe/ Kubota	110,000	45,000	100,000	40,000	0
Depot - Garbage Bin (2020)/Garbage Bins 12 - 2 yd. (2023)	0	0	0	0	25,000
Arena -Dehumidifier(to be reviewed)	0	0	35,000	0	0
Aquatic - Drytron replacement	0	0	0	0	200,000
Parks - Nimpkish Park Amenities (Pavillion)	<u>60,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Roadways, Sidewalks, Curbing (reviewing Asset Management)	0	100,000	0	100,000	0
Wharf and Dock (dredge/warehouse)	<u>0</u>	<u>140,000</u>	<u>0</u>	<u>150,000</u>	<u>0</u>
General Contingency Fund	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Bio-Solids - Phase 1	457,800	0	0	0	0
Bio-Solids - Phase 2	0	977,700	422,500	0	0
UV Plant (Gas Tax funds)	60,000	0	0	0	0
Bridge Sewer line -major repair	0	0	0	0	0
Scada System	0	0	50,000	0	0
Replace headworks/screener STP	0	0	0	50,000	0
Sewer Contingency Fund	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Total Sewer Capital	537,800	997,700	492,500	70,000	20,000
Water Capital Fund					
	0	560,000	0	0	0
Government Grant	0	0	50,000	70,000	70,000
Gas Tax Funds	<u>25,000</u>	<u>25,000</u>	<u>125,000</u>	<u>25,000</u>	<u>25,000</u>
Contribution from Reserves	25,000	585,000	175,000	95,000	95,000
Total Water Capital Funding	25,000	585,000	175,000	95,000	95,000
Water Capital Projects					
Bridge Water line replacement	0	560,000	0	0	0
Install Water Meter at Trailer Park	0	0	0	0	0
Scada System	0	0	50,000	0	0
Water Line, Muchalat to Industrial	0	0	100,000	0	0
Well #3 pump replacement	0	0	0	70,000	0
Well #1 pump replacement	0	0	0	0	70,000
Water Contingency	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
Total Water Capital	25,000	585,000	175,000	95,000	95,000
Total Capital Projects	792,800	1,902,700	842,500	475,000	360,000

**Village of Gold River
Use of Reserve Funds 2019-2023
Schedule "C"**

General Capital	2019	2020	2021	2022	2023
40-4-495-4962	Budget	Budget	Budget	Budget	Budget
OPENING BALANCE	1,404,416	1,207,420	1,155,794	1,007,956	971,643
Transfers In:	0	0	0	0	0
Transfers Out:	230,000	80,000	175,000	60,000	245,000
Interest On Investments	33,004	28,374	27,161	23,687	22,834
	2.35%				
CLOSING BALANCE	1,207,420	1,155,794	1,007,956	971,643	749,476
Sewer Capital	2019	2020	2021	2022	2023
40-4-495-4963	Budget	Budget	Budget	Budget	Budget
OPENING BALANCE	596,882	468,608	195,921	70,525	52,182
Transfers In:	0	0	0	0	0
Transfers Out:	142,300	283,700	130,000	20,000	20,000
Interest On Investments	14,027	11,012	4,604	1,657	1,226
CLOSING BALANCE	468,608	195,921	70,525	52,182	33,408
Water Capital	2019	2020	2021	2022	2023
40-4-495-4964	Budget	Budget	Budget	Budget	Budget
OPENING BALANCE	742,901	735,359	727,640	619,740	609,304
Transfers In:	0	0	0	0	0
Transfers Out:	25,000	25,000	125,000	25,000	25,000
Interest On Investments	17,458	17,281	17,100	14,564	14,319
CLOSING BALANCE	735,359	727,640	619,740	609,304	598,622
Municipal Dock Reserve	2019	2020	2021	2022	2023
40-4-495-4965	Budget	Budget	Budget	Budget	Budget
OPENING BALANCE	1,084,063	1,109,538	1,135,613	1,162,299	1,189,613
Transfers In:	0	0	0	0	0
Transfers Out:	0	0	0	0	0
Interest On Investments	25,475	26,074	26,687	27,314	27,956
CLOSING BALANCE	1,109,538	1,135,613	1,162,299	1,189,613	1,217,569
Fish Processing Plant Reserve	2019	2020	2021	2022	2023
40-4-495-4966	Budget	Budget	Budget	Budget	Budget
OPENING BALANCE	119,936	122,755	125,640	128,592	131,614
Transfers In:	0	0	0	0	0
Transfers Out:	0	0	0	0	0
Interest On Investments	2,819	2,885	2,953	3,022	3,093
CLOSING BALANCE	122,755	125,640	128,592	131,614	134,707
Total Reserve Funds & Accounts	3,643,681	3,340,607	2,989,111	2,954,356	2,733,783
opening Balance	3,948,198	3,643,681	3,340,607	2,989,111	2,954,356
trsf in	0	0	0	0	0
trfs out	397,300	388,700	430,000	105,000	290,000
Interest	92,783	85,626	78,504	70,244	69,427
closing	3,643,681	3,340,607	2,989,111	2,954,356	2,733,783

**Village of Gold River
2019-2023
Financial Plan Statement
Schedule "D"**

(1) Revenue proposed to come from each funding source:

Table (1) shows the proportion of total revenue proposed to be raised from each funding source in 2019. Property value taxes and utility fees normally form the greatest portion of the revenues for most municipalities but in Gold River we receive significant revenue from other sources such as Interest, Sales of Service and Grants, which can fluctuate and negatively or positively affect the Village financial situation. The system of property taxation and utility fees is relatively easy to administer and understand. Property taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user pay basis. These include services such as Roads, Fire Protection, Bylaw Enforcement, the Library, Administration, etc. For these reasons, property value taxation will continue to be a significant source of municipal revenue.

User fees and charges form a significant portion of planned revenue. Many municipal services such as water, sewer and solid waste services can be measured and charged for on a user pay basis. This basis attempts to fairly apportion the value of a municipal service to those who make use of it. Currently in Gold River for residential properties the fees are a flat rate rather than a measured or metered fee.

Other sources include a variety of revenues such as grants, investment income, sales of service etc. In Gold River these provide a higher than normal proportion of our revenues compared to many other small communities. Over 50% of Village revenues come from these non-property tax and utility fees which introduces a risk to our annual revenue forecast. These sources are very beneficial but often these revenues fluctuate with economic conditions, are less predictable, less stable and uncertain. The fluctuation of these revenues is often beyond the control of Village Council (i.e. interest rates) yet can have significant impact on the Village Budget and Services and expose our budget to a revenue risk should these revenues not materialize. Infrastructure Grants are tied to expenditures and communities require sufficient available funding to ensure they can meet their proportionate share of the infrastructure project. Approval of Grant Funding can significantly affect the proportionate distribution of Revenue Sources in any given year resulting in large fluctuations from year to year in Revenue Sources.

Policy:

Council reviews the source of revenues for the Village annually during the Five-Year Plan planning process. Through this process Council considers the tax burden, user fees, and other sources of funding in proportion to the planned services and expenditure program for the Village. Council determines the appropriateness of the level of services and expenditures in relation to the available funding sources and the impact or the burden of costs for these services and expenditures between property taxes, user fees and other sources of funding and considers if changes to the allocation of funding sources should be implemented.

Objective:

To review the appropriateness of total revenue proposed to come from each funding source for the planned services and expenditures and to ensure the sustainability of the funding sources to continue to provide the services in the future.

**Village of Gold River
2019-2023
Financial Plan Statement
Schedule "D"**

Table (1) Proportions of total revenue (including Capital Grants):

Revenue Source	% of Revenue	Value
Property Value Taxes	27.29%	\$915,900
Utility Fees	21.73%	\$729,100
Grants	28.94%	\$971,100
Investment Income	6.61%	\$221,783
Sales of Service	13.22%	\$443,600
Other Sources	2.22%	\$74,400
Total	100.00%	\$3,355,883

(2) The Distribution of Property Taxes among the property classes:

Table (2) provided below, outlines the distribution of property tax revenue among the property classes. The practice of Council has been to set tax rates in order to maintain tax stability. This is accomplished by maintaining the proportionate relationship between the property classes, while taking into account for new construction values, deletions from the tax roll and changes in property classes that are considered to be significant and affect the proportionate relationship. Council reviews the proportionate relationships between classes caused by various factors and attempts to ensure a reasonable and fair allocation of taxes between classes to provide for the services identified within the Five-Year Financial Plan. This practice allows the various taxpayers in the municipality to be confident that in any year, depending on proportionate assessment changes within property tax assessment class, their property tax bill will increase proportionately to the increase in tax revenue required year over year, taking into effect greater or lesser assessment increases of their property to the assessment class average.

Policy:

The tax policy of Council in setting the distribution of property taxes over time may take into consideration factors such as significant new or lost tax base, philosophy of taxing apportionment, economic factors or initiatives to maintain, promote or encourage specific sectors with respect to investment in the community. As part of the establishment of the annual tax rates Council reviews the distribution of taxes between tax classes and the appropriateness of the allocation.

Objective:

To provide a fair and reasonable tax allocation policy between tax classes in order to provide a suitable level of community services on an affordable basis to residential and non-residential property classes.

**Village of Gold River
2019-2023
Financial Plan Statement
Schedule "D"**

Table (2) 2019 Distribution of property taxes among the property classes

Property Class	% of Property Value Tax	2019 Dollar Value
(1) Residential	58.72%	\$537,793
(2) Utilities	0.48%	\$4,401
(5) Light Industry	18.87%	\$172,811
(6) Business	21.92%	\$200,788
(8) Rec/Non-profit	0.01%	\$104
Total	100%	\$915,897

(3) The use of permissive tax exemptions:

The Annual Municipal Report for 2018 contains a list of permissive exemptions granted for the taxation year and the amount of tax foregone. This list demonstrates the policy of Council that permissive exemptions are granted to not-for-profit institutions that form a valuable part of our community. These include religious institutions, historical societies, some recreational facilities, service and cultural organizations.

Policy:

Council will continue to support local not for profit organizations through permissive tax exemptions that provide beneficial services to the community. Where appropriate Council may consider utilizing its expanded power under the Community Charter to provide permissive exemptions as allowed for in the Community Charter to property owners who contribute to our community in beneficial ways. These may include investments made in greenhouse gas reduction technology or alternative energy, the provision of affordable housing, or revitalization of buildings or areas of the municipality.

Objective:

Council will examine its permissive tax exemption policy to determine if it should be expanded in the future to include new opportunities as allowed for under the Community Charter.

VILLAGE OF GOLD RIVER

Bylaw No. 716, 2019

A bylaw to authorize the levying of tax rates for Municipal, Regional District, Regional Solid Waste Management, Regional Hospital District and Library purposes for the year 2019

WHEREAS Section 197 (1) of the *Community Charter*, 2003, S.B.C. Chapter 26 provides that the Municipal Council shall, after the adoption of the financial plan but before May 15 in each year, adopt a bylaw to impose rates to raise money for the current year;

NOW THEREFORE the Council of the Village of Gold River, in open meeting assembled, enacts as follows:

1. The following rates are hereby imposed and levied for the year 2019:
 - (a) For all lawful purposes of the Municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the Schedule attached hereto and made part of this bylaw.
 - (b) For Strathcona Regional District purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "B" of the Schedule attached hereto and made part of this bylaw.
 - (c) For Comox-Strathcona Regional Solid Waste Management purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "C" of the Schedule attached hereto and made part of this bylaw.
 - (d) For Comox-Strathcona Regional Hospital District purposes on the assessed value of land and improvements taxable for hospital purposes, rates appearing in column "D" of the Schedule attached hereto and made part of this bylaw.
 - (e) For Vancouver Island Regional Library purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "E" of the Schedule attached and made part of this bylaw.
2. The minimum amount of taxation upon a parcel of real property shall be One Dollar (\$1.00).
3. The Collector of the Village of Gold River shall add to the unpaid taxes of the current year, for each parcel of land and its improvements on the property tax roll, 10% of the amount of current year taxes which remain unpaid at 5:00 p.m. on July 2, 2019 and the said unpaid taxes together with the amount added as aforesaid shall be taxes of the current year due on such land and its improvements.
4. Tax rates and percentage additions caused by a result of a supplementary roll prepared under the Assessment Act shall be executed in accordance with Section 241 of the *Community Charter*.

5. The tax rates and percentage additions shall be payable at the office of the said Collector at the Municipal Office, 499 Muchalat Drive, Gold River, British Columbia.
6. Tax payments received by mail after July 2, 2019 shall be considered as being unpaid on July 2, 2019 and subject to penalty.
7. This Bylaw may be cited for all purposes as the "Village of Gold River Tax Rates Bylaw No. 716, 2019".

Read a first time this	day of	2019.
Read a second time this	day of	2019.
Read a third time this	day of	2019.
Adopted this	day of	2019.

B. Unger

Mayor

B. McRae

Corporate Administrator

VILLAGE OF GOLD RIVER

Tax Rates Bylaw No. 716, 2019

Schedule "A"

The following rates shall apply on each thousand dollars of the assessed value of land and improvements.

Property Class	A General Municipal	B Vancouver Island Library	C Strathcona Regional District on General Assessment	D Strathcona Regional District on Hospital Assessment	E Comox Regional Solid Waste	F Comox Regional Hospital
1 Residential	5.2555	0.2836	0.0682	0.1467	0.1740	0.5788
2 Utilities	24.3750	1.3153	0.3162	0.5135	0.8069	2.0259
5 Light Industry	49.0585	2.6473	0.6363	0.4988	1.6241	1.9680
6 Business/Other	15.2116	0.8209	0.1973	0.3595	0.5036	1.4181
8 Recreation/Non-Profit	7.4103	0.3999	0.0961	0.1467	0.2453	0.5788
9 Farm	49.0585	2.6473	0.6363	0.1467	1.6241	0.5788