



THE CORPORATION OF THE VILLAGE OF FRUITVALE
BYLAW NO. 822

A Bylaw Respecting a Financial Plan Program
to be undertaken during the Year 2010 to 2014

The Council of the Corporation of the Village of Fruitvale, in open meeting assembled, enacts as follows:

1. THAT Bylaw No. 810 entitled "Five Year Financial Plan Bylaw No. "810, 2009", is hereby repealed.
2. THAT Schedule "A", attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect January 1, 2010.
3. THAT Schedule "B", attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect January 1, 2010. This financial plan is for the Years 2010 – 2014 inclusive.
4. THAT this Bylaw may be cited for all purposes as "Five Year Financial Plan Bylaw No. 822, 2010".

READ a first time this 12th day of April, 2010.

READ a second time this 12th day of April, 2010.

READ a third time this 12th day of April, 2010.

RECONSIDERED, FINALLY PASSED AND ADOPTED this 10th day of May, 2010.

Mayor

Chief Administrative Officer

CERTIFIED a true copy of Bylaw No. 822, 2010, entitled "Five Year Financial Plan Bylaw No. 822, 2010".

DATED this 12th day of May, 2010.

Chief Administrative Officer

THE CORPORATION OF THE VILLAGE OF FRUITVALE

Bylaw No. 822, 2010

FIVE YEAR FINANCIAL PLAN

Schedule "A"

	2010 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget
REVENUES					
Taxes	\$462,735	\$483,600	\$493,043	\$502,672	\$512,495
Parcel Taxes	\$386,580	\$405,530	\$424,480	\$443,430	\$462,930
Grants in Lieu	\$26,528	\$27,059	\$27,600	\$28,152	\$28,715
Solid Waste	\$50,000	\$55,000	\$55,000	\$60,500	\$60,500
Cemetery	\$17,270	\$18,705	\$18,705	\$18,705	\$18,705
Revenue from own Sources	\$143,080	\$95,510	\$95,510	\$95,510	\$95,510
Bowling Lanes	\$47,500	\$48,450	\$49,420	\$50,407	\$51,415
Grants from Prov & Local Gov't	\$512,116	\$651,930	\$645,815	\$362,480	\$353,865
Taxes Collected for Other Agencies	\$1,322,549	\$1,322,549	\$1,322,549	\$1,322,549	\$1,322,550
Transfers from own Sources	\$574,560	\$77,720	\$77,720	\$77,720	\$77,720
Sewer Revenues	\$803,452	\$837,637	\$269,293	\$271,965	\$271,965
TOTAL REVENUES	\$4,346,370	\$4,023,690	\$3,479,135	\$3,234,090	\$3,256,370
EXPENDITURES					
General Government	\$423,798	\$395,332	\$391,935	\$398,806	\$414,135
Protective Service	\$96,271	\$55,300	\$55,300	\$55,300	\$55,300
Transportation Services	\$226,700	\$140,480	\$149,560	\$161,945	\$174,500
Solid Waste Collection	\$53,500	\$55,700	\$67,125	\$57,975	\$59,000
Cemetery	\$49,395	\$51,455	\$52,340	\$54,005	\$55,390
Community & Environmental Planning	\$46,500	\$46,500	\$26,500	\$1,500	\$1,500
Recreation & Community Pride	\$169,590	\$160,060	\$147,700	\$157,340	\$159,010
Bowling Lanes	\$47,500	\$48,450	\$49,420	\$50,410	\$51,415
Fiscal Services	\$146,225	\$136,948	\$93,565	\$59,765	\$41,765
Transfers to own Funds	\$915,390	\$723,279	\$803,848	\$592,530	\$599,840
Transfer to other Agencies	\$1,322,549	\$1,322,549	\$1,322,549	\$1,322,549	\$1,322,550
Surplus & Contingency	\$45,500	\$50,000	\$50,000	\$50,000	\$50,000
Sewer Expenditures	\$803,452	\$837,637	\$269,293	\$271,965	\$271,965
TOTAL EXPENDITURES	\$4,346,370	\$4,023,690	\$3,479,135	\$3,234,090	\$3,256,370

THE CORPORATION OF THE VILLAGE OF FRUITVALE

Bylaw No. 822, 2010

FIVE YEAR FINANCIAL PLAN 2010-2014

Statement of Objectives and Policies

Schedule "B"

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Fruitvale (Village) is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2010. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, planning services, fire protection, police services, bylaw enforcement, roads and streets maintenance and street lighting.

User fees and charges form the second largest portion of planned revenue. Many services can be measured and charged on a user pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of specific services and therefore, these are charged on a user pay basis. User fees attempt to allocate the value of a service to those who use the service.

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property taxes	41.1%	\$1,785,284
Parcel Taxes	8.9%	386,580
User Fees and charges	11.8%	514,330
Other sources	15.4%	666,261
Proceeds from borrowing	4.8%	210,000
Government grants	18.0%	783,915
Total	100.00%	\$4,346,370

Objective

- Over the next five years, the Village will increase the proportion of revenue that is received from user fees and charges by at least 3 percent over the current levels.

Policies

- The Village will review all user fee levels annually to ensure they are adequately meeting both the capital and delivery costs of the service.
- Where possible, the Village will endeavor to supplement revenues from user fees and charges, rather than taxation, to lessen the burden on the residential property tax base.

Distribution of Property Tax Rates

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of Village services.

Table 2: Distribution of Property Tax Rates

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	85.06%	\$1,581,521
Utilities (2)	3.62%	\$64,597
Social Housing (3)	0%	\$0
Major Industrial (4)	0%	\$0
Light Industrial (5)	0%	\$0
Business and Other (6)	11.32%	\$202,146
Recreation/Non-profit (8)	0%	\$0
Farmland (9)	0%	\$20
Total	100%	\$1,785,284

Objective

- Maintain the property tax rate for business and other (Class 6) at the current rate.

Policies

- Maintain and encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community. Align the distribution of tax rates among the property classes with the social and economic goals of the community, particularly to encourage a range of employment opportunities.
- Regularly review and compare the Village's distributions of tax burden relative to other municipalities in British Columbia.

Permissive Tax Exemptions

The Village has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. Some of the eligibility criteria for permissive tax exemptions that are outlined in the policy include the following:

- The tax exemption must demonstrate benefit to the community and residents of the Village by enhancing the quality of life, economically, socially or culturally, within the community.
- The goals, policies and principles of the organization receiving the exemption must not be inconsistent or in conflict with those of the Village.
- The organization receiving the exemption must be a registered non-profit society, as the support of the municipality will not be used for commercial or private gain.
- Permissive tax exemptions will be considered in conjunction with:
 - other assistance being provided by the Village;
 - the potential demands for Village services or infrastructure arising from the property; and
 - the amount of revenue that the Village will lose if the exemption is granted.

Objective

- The Village will continue to provide permissive tax exemptions to non-profit societies.
- Over the next five years, the Village will offer permissive tax exemptions to include revitalization tax exemptions targeted at green development for the purposes of encouraging development that will meet our *Climate Action Charter* commitments.

Policies

- Expand the permissive tax exemption policy to include eligibility requirements for green revitalization tax exemptions.
- Develop a revitalization tax exemption program which details the kinds of green activities that the exemption program will target.
- Integrate the green revitalization tax exemption program into the Village's existing economic initiatives as a means of attracting retail and commercial businesses to further invest in the community.