

**SCHEDULE "A" to  
FIVE YEAR FINANCIAL PLAN BYLAW NO. 870, 2016**

	<b>2016 Budget</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>2019 Budget</b>	<b>2020 Budget</b>
Taxes	-\$540,747	-\$556,964	-\$573,673	-\$590,884	-\$608,611
Grants in Lieu	-\$30,012	-\$30,912	-\$31,840	-\$32,795	-\$33,779
Solid Waste	-\$71,000	-\$72,270	-\$74,502	-\$81,300	-\$86,500
Cemetery	-\$22,400	-\$23,072	-\$23,764	-\$24,477	-\$25,211
Revenue from Own Sources	-\$112,050	-\$122,070	-\$122,184	-\$126,661	-\$126,353
Bowling Fees & Revenues	-\$10,289	\$0	\$0	\$0	\$0
Grants from Prov & Local Gov't	-\$887,148	-\$775,638	-\$822,109	-\$853,651	-\$922,733
Taxes Collected for Other Agencies	-\$1,701,068	-\$1,752,100	-\$1,804,663	-\$1,858,803	-\$1,914,567
Transfers from Reserves	-\$12,000	-\$30,000	\$0	-\$142,429	\$0
Capital Borrowing	\$0	-\$2,261,022	\$0	-\$280,000	\$0
Surplus Forward	-\$41,658	\$0	\$0	\$0	\$0
Sewer Parcel Taxes	-\$114,115	-\$118,050	-\$138,250	-\$158,000	-\$177,750
Sewer Fees & Service Charges	-\$262,430	-\$285,824	-\$311,323	-\$326,765	-\$342,978
Sewer Grants	-\$427,585	-\$121,630	-\$1,121,703	\$0	\$0
Sewer Accumulated Surplus	\$0	\$0	-\$101,769	-\$33,472	\$0
Sewer Transfers from Own Funds	-\$80,000	\$0	\$0	\$0	\$0
Sewer Transfers From Reserves	-\$125,000	\$0	\$0	\$0	\$0
Sewer Proceeds from Borrowing	\$0	-\$264,000	-\$802,752	-\$621,667	\$0
<b>TOTAL REVENUES</b>	<b>-\$4,437,501</b>	<b>-\$6,413,552</b>	<b>-\$5,928,532</b>	<b>-\$5,130,903</b>	<b>-\$4,238,482</b>
General Government	\$541,348	\$494,250	\$517,068	\$526,802	\$559,292
Protective Service	\$54,515	\$56,150	\$57,835	\$59,570	\$61,357
Transportation Services	\$257,670	\$249,271	\$258,823	\$264,974	\$272,810
Solid Waste Collection	\$70,900	\$73,027	\$75,218	\$77,474	\$79,799
Cemetery	\$37,700	\$39,281	\$38,727	\$39,889	\$41,086
Land Use & Corporate Planning	\$10,736	\$6,201	\$6,237	\$11,274	\$6,312
Recreation & Social Planning	\$99,755	\$97,416	\$101,307	\$102,225	\$103,171
Parks & Community Beautification	\$242,961	\$208,129	\$213,591	\$219,208	\$228,487
Bowling Lanes	\$10,289	\$0	\$0	\$0	\$0
Fiscal Services	\$118,846	\$122,798	\$112,073	\$181,375	\$181,375
Transfers to Reserves	\$87,700	\$7,766	\$122,192	\$289,404	\$30,498
General Fund Capital Expenditures	\$162,583	\$2,462,222	\$45,000	\$310,000	\$189,000
Collections for Other Agencies	\$1,699,982	\$1,752,100	\$1,804,663	\$1,858,803	\$1,914,567
Contingency & Deficit Recovery	\$33,386	\$55,438	\$100,000	\$50,000	\$50,000
Sewer Operating Expenditures	\$257,270	\$271,105	\$276,128	\$309,650	\$315,283
Sewer Fiscal Services	\$0	\$31,000	\$319,750	\$830,254	\$26,000
Sewer Deficit Recovery	\$177,742	\$0	\$0	\$0	\$0
Transfer to Reserve or Accumulated Surplus	\$0	\$101,769	\$136,550	\$0	\$29,445
Sewer Capital Expenditures	\$574,118	\$385,630	\$1,743,370	\$0	\$150,000
<b>TOTAL EXPENDITURES</b>	<b>\$4,437,501</b>	<b>\$6,413,552</b>	<b>\$5,928,532</b>	<b>\$5,130,903</b>	<b>\$4,238,482</b>

## SCHEDULE "B" FIVE YEAR FINANCIAL PLAN BYLAW NO. 870, 2016

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.

### 1. Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised for general municipal purposes from each funding source in 2016. 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 relatively 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, building inspection, roads and streets maintenance and street lighting.

User fees and charges form the second largest portion of discretionary revenue. Many services can be measured and charged on a user pay basis. Services where fees and charges may be easily administered include sewer usage, building permits, business licenses, and sale of specific services and therefore, 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	42.85%	-\$1,901,615
Parcel Taxes	10.24%	-\$454,315
User Fees and charges	10.78%	-\$478,168
Transfer from Reserves	3.09%	-\$137,000
Accumulated Surplus & Own Funds	2.74%	-\$121,658
Short Term Capital Borrowing	0.00%	\$0
Government Grants	30.30%	-\$1,344,746
<b>Total</b>	<b>100.00%</b>	<b>-\$4,437,501</b>

### **Objective**

- Over the next five years, the Village will review the proportion of revenue that is received from user fees and charges and increase to the inflationary index over the current levels where deemed advisable.

### **Policies**

- The Village will review user fee and parcel tax levels annually to ensure they adequately meet 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 in order to lessen the burden on the residential property tax base.

## 2. Distribution of Property Tax Rates

Table 2 outlines the distribution of municipal 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 Taxes**

<b>Property Class</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
Residential (1)	89.155%	\$482,104
Utilities (2)	0.657%	3,555
Supportive Housing (3)	0.000%	0
Major Industrial (4)	0.000%	0
Light Industrial (5)	0.000%	0
Business and Other (6)	9.850%	55,079
Managed Forest Land (7)	0.000%	0
Recreation/Non-profit (8)	0.000%	0
Farmland (9)	0.002%	9
<b>Total</b>	<b>100.0%</b>	<b>\$540,747</b>

### *Objective*

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

### *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 levies 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.

## 3. Permissive Tax Exemptions

The Village has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions. 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 forego if the exemption is granted.

**Table 3: Use of Permissive Tax Exemptions**

Bylaw	Name	Roll #	Class	2016 Assessed Value	2016 Municipal Rate	2016 Village Portion	2016 Full Rates	2016 Totals
#830, 2011	Beaver Valley Manor	32.050	Land - 1	188,000	2.8281	\$ 676.68	9.6307	\$ 2,243.07
			Buildings - 1	946,000	2.8281	\$ 2,675.38	9.6307	\$ 9,110.64
#830, 2011	Scout Properties	267.000	Land - 8	136,000	2.8281	\$ 529.62	9.9578	\$ 1,786.76
			Buildings - 6	29,200	6.2218	\$ 181.68	21.5190	\$ 628.35
#830, 2011	Scout Properties	268.000	Land - 8	149,000	2.8281	\$ 566.39	9.9578	\$ 1,916.21
			Buildings - 6	133,000	6.2218	\$ 827.50	21.5190	\$ 2,862.03
#830, 2011	Beaver Valley Curling Club	288.000	Land - 8	60,000	2.8281	\$ 314.69	9.9578	\$ 597.47
			Land - 6	60,000	6.2218	\$ 373.31	21.5190	\$ 1,723.64
			Buildings - 6	532,000	6.2218	\$ 3,310.00	21.5190	\$ 11,448.11
#831, 2011	St. Rita's Catholic Church	55.012	Land - 8	52,600	2.8281	\$ 293.76	9.9578	\$ 956.28
			Buildings - 8	262,800	2.8281	\$ 743.22	9.9578	\$ 2,616.91
#834, 2011	Beaver Valley Christian Fellowship	337.000	Land - 8	70,200	2.8281	\$ 343.53	9.9578	\$ 1,131.54
			Buildings - 8	169,000	2.8281	\$ 477.95	9.9578	\$ 1,682.87
#832, 2011	United/Anglican Church Church Hall	244.099	Land - 8	88,300	2.8281	\$ 394.72	9.9578	\$ 1,311.77
			Buildings - 8	340,000	2.8281	\$ 961.55	9.9578	\$ 3,385.65
#833, 2011	United/Anglican Church	244.100	Land - 8	10,600	2.8281	\$ 174.98	9.9578	\$ 538.05
#830, 2011	South Columbia	371.110	Land - 6	56,400	6.2218	\$ 495.91	21.5190	\$ 1,646.17
	Search & Rescue		Buildings - 6	77,300	6.2218	\$ 480.95	21.5190	\$ 1,663.42
<b>Grand Total</b>						<b>\$ 13,821.81</b>		<b>\$ 47,248.95</b>

### **Objective**

- The Village will continue to provide permissive tax exemptions to non-profit societies.

### **Policies**

- Review the tax exemption policy annually to assess activities that will be targeted in compliance with the Official Community Plan guidelines.
- If deemed feasible, integrate 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.