



THE CORPORATION OF THE VILLAGE OF FRUITVALE BYLAW 890, 2018

A Bylaw Establishing a Financial Plan Program
to be Undertaken During the Years 2018 to 2022

WHEREAS under the requirements of the Community Charter Act, Part 6, Division 1, Section 165, a municipality must adopt by bylaw a Five Year Financial Plan;

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

1. THAT Schedule "A", being part of the Five Year Financial Plan for the Years 2018 to 2022 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2018;
2. THAT Schedule "B", being part of the Five Year Financial Plan for the Years 2018 to 2022 inclusive, attached hereto and forming part of this Bylaw, is hereby adopted and will come into force and effect as of January 1, 2018;
3. THAT Bylaw No. 883 entitled "Village of Fruitvale Five Year Financial Plan Bylaw No. 883, 2017", is hereby repealed; and
4. THAT this Bylaw may be cited for all purposes as "Village of Fruitvale Five Year Financial Plan 2018-2022 Bylaw 890, 2018".

READ a first time this 3rd day of May, 2018.

READ a second time this 3rd day of May, 2018.

READ a third time this 3rd day of May, 2018.

RECONSIDERED, FINALLY PASSED AND ADOPTED this 7th day of May, 2018.

Mayor

Chief Administrative Officer

CERTIFIED a true copy of Bylaw 890, 2018, entitled "Village of Fruitvale Five Year Financial Plan 2018-2022 Bylaw 890, 2018".

DATED this 7th day of May, 2018.

Chief Administrative Officer

**SCHEDULE "A" to
FIVE YEAR FINANCIAL PLAN BYLAW 890, 2018**

	2018 Budget	2019 Budget	2020 Budget	2021 Budget	2022 Budget
Taxes	\$ (730,263.29)	\$ (752,490.92)	\$ (775,065.64)	\$ (798,317.61)	\$ (822,267.14)
Grants in Lieu	\$ (40,959.55)	\$ (31,424.99)	\$ (32,367.74)	\$ (33,338.78)	\$ (44,335.93)
Solid Waste	\$ (82,425.00)	\$ (86,546.25)	\$ (90,873.56)	\$ (95,417.24)	\$ (100,188.10)
Cemetery	\$ (24,072.00)	\$ (24,794.16)	\$ (25,537.98)	\$ (26,304.12)	\$ (27,093.25)
Revenue from Own Sources	\$ (125,452.00)	\$ (121,255.00)	\$ (128,296.00)	\$ (128,654.00)	\$ (128,654.00)
Grants from Prov & Local Gov't	\$ (872,318.00)	\$ (856,390.00)	\$ (902,134.60)	\$ (942,192.06)	\$ (990,970.00)
Transfers from Reserves	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Taxes Collected for Other Agencies	\$ (1,434,266.94)	\$ (1,747,586.87)	\$ (1,770,838.61)	\$ (1,823,963.77)	\$ (1,878,682.68)
Capital Borrowing/Transfer from Borrowing	\$ (778,962.90)	\$ (28,810.95)	\$ (151,339.91)	\$ (8,284.41)	\$ (326,957.36)
Surplus Forward	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sewer Parcel Taxes	\$ (151,000.00)	\$ (188,750.00)	\$ (226,500.00)	\$ (264,250.00)	\$ (302,000.00)
Sewer Fees & Service Charges	\$ (296,370.71)	\$ (308,564.25)	\$ (324,398.13)	\$ (340,493.04)	\$ (357,392.69)
Sewer Grants	\$ (1,291,849.65)	\$ (232,192.50)	\$ (3,000,000.00)	\$ (2,100,000.00)	\$ (900,000.00)
Sewer Accumulated Surplus	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sewer Transfers from Own Funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sewer Transfers From Reserves	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sewer Transfers From Borrowing	\$ (445,179.74)	\$ (43,236.87)	\$ 57,598.32	\$ 125,988.36	\$ 169,377.12
TOTAL REVENUES	\$ (6,273,120.78)	\$ (4,422,042.76)	\$ (7,369,753.87)	\$ (6,435,226.68)	\$ (5,709,164.03)
General Government Services	\$ 549,929.43	\$ 514,873.52	\$ 513,316.89	\$ 538,570.52	\$ 532,112.85
Protective Services	\$ 61,454.00	\$ 59,972.94	\$ 61,172.40	\$ 62,395.85	\$ 63,643.76
Transportation Services	\$ 337,599.62	\$ 277,130.46	\$ 285,577.77	\$ 289,774.82	\$ 295,555.82
Solid Waste Collection	\$ 80,430.00	\$ 81,294.00	\$ 82,919.88	\$ 84,578.28	\$ 86,269.84
Cemetery	\$ 38,401.02	\$ 39,037.00	\$ 40,208.11	\$ 41,414.35	\$ 42,656.78
Land Use & Corporate Planning	\$ 22,187.00	\$ 7,534.74	\$ 12,599.95	\$ 7,664.65	\$ 7,731.85
Land - Old Middleschool	\$ 13,000.00	\$ 0	\$ 0	\$ 0	\$ 0
Recreation & Social Planning	\$ 91,735.64	\$ 117,529.60	\$ 120,029.14	\$ 121,569.74	\$ 123,152.54
Parks & Community Beautification	\$ 220,678.00	\$ 202,624.89	\$ 207,750.73	\$ 212,813.08	\$ 221,511.70
Fiscal Services	\$ 261,990.04	\$ 220,001.00	\$ 196,858.34	\$ 188,104.02	\$ 142,288.30
Transfers to Reserves	\$ 0	\$ 88,796.00	\$ 81,575.88	\$ 89,457.73	\$ 127,120.63
General Fund Capital Expenditures	\$ 931,000.00	\$ 260,700.00	\$ 501,625.00	\$ 256,500.00	\$ 602,000.00
Collections for Other Agencies	\$ 1,434,266.94	\$ 1,747,586.87	\$ 1,770,838.61	\$ 1,823,963.77	\$ 1,878,682.68
Contingency & Deficit Recovery	\$ 46,050.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Sewer Operating Expenditures	\$ 340,450.10	\$ 331,461.62	\$ 352,932.85	\$ 359,431.51	\$ 366,060.14
Sewer Fiscal Services	\$ 3,750.00	\$ 143,750.00	\$ 34,750.00	\$ 33,000.00	\$ 26,000.00
Sewer Deficit Recovery	\$ 0	\$ 0	\$ 57,598.32	\$ 125,988.36	\$ 169,377.12
Sewer Transfer to Reserve or Accumulated Surplus	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Sewer Capital Expenditures	\$ 1,840,200.00	\$ 279,750.11	\$ 3,000,000.00	\$ 2,150,000.00	\$ 975,000.00
TOTAL EXPENDITURES	\$ 6,273,120.78	\$ 4,422,042.76	\$ 7,369,753.87	\$ 6,435,226.67	\$ 5,709,164.03

SCHEDULE "B" FIVE YEAR FINANCIAL PLAN BYLAW 890, 2018

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 2018. Government grants form the greatest proportion of revenue – over \$1.2 million is grant for the purpose of sewage treatment upgrade. This year the Village will devote most of its resources on capital projects and improvement, and as a result the long-term debt will be drawn to finance various projects. While representing only 15% of overall revenue, 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 another significant 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 Sources	% of Total Revenue	Dollar Value
Property Taxes	15.09%	730,263.29
Parcel Taxes	3.12%	151,000.00
User Fees and charges	8.33%	402,867.71
Other sources	3.44%	166,411.55
Proceeds from Long-Term Borrowing	25.30%	1,224,142.64
Government grants	44.72%	2,164,167.65
	100.00%	\$ 4,838,852.84

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 Municipal Property Taxes

Property Class	% of Taxation	Dollar Value
Residential (1)	89.86%	\$601,903
Utilities (2)	0.65%	\$4,326
Supportive Housing (3)	0.00%	\$0
Major Industrial (4)	0.00%	\$0
Light Industrial (5)	0.11%	\$719
Business and Other (6)	9.38%	\$62,851
Managed Forest Land (7)	0.00%	\$0
Recreation/Non-profit (8)	0.00%	\$0
Farm (9)	0.00%	\$0
TOTAL	100.00%	\$669,542

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

SCHEDULE OF PERMISSIVE TAX EXEMPTIONS										
Bylaw	Name	Roll #	Class	2018 Assessed Value	2018 Total Assessed Value	2018 Municipal Rate	2018 Village General Taxes	Water & Sewer Parcel Taxes	2018 Full Rates	2018 Totals
#874, 2016	Beaver Valley Manor Society (affordable housing)	521.00032.050	Land - 1	183,000	1,130,000	3.0700	\$ 3,469.10	\$ 650.00	9.8343	\$ 11,112.77
			Buildings - 1	947,000						
#874, 2016	Scout Properties	521.00267.000	Land - 8	148,000	177,100	6.7540	\$ 196.54	\$ 650.00	21.7023	\$ 1,466.98
			Buildings - 6	29,100						
#874, 2016	Scout Properties	521.00268.000	Land - 8	165,000	318,000	6.7540	\$ 506.55	\$ 650.00	9.9120	\$ 1,635.48
			Buildings - 6	153,000						
#874, 2016	Beaver Valley Curling Club	521.00288.000	Land - 8	60,000	775,000	6.7540	\$ 184.20	\$ 650.00	9.9120	\$ 594.72
			Land - 6	60,000						
			Buildings - 6	655,000						
#875, 2016	St. Rita's Catholic Church (hall)	521.00055.012	Land - 8	53,200	371,300	3.0700	\$ 1,139.89	\$ 650.00	9.9120	\$ 3,680.33
			Buildings - 8	318,100						
#875, 2016	Beaver Valley Christian Fellowship	521.00337.000	Land - 8	63,600	274,600	3.0700	\$ 843.02	\$ 650.00	9.9120	\$ 2,721.84
			Buildings - 8	211,000						
#875, 2016	United/Anglican Church (hall)	521.00244.099	Land - 8	80,000	496,000	3.0700	\$ 1,522.72	\$ 650.00	9.9120	\$ 4,123.39
			Buildings - 8	416,000						
#875, 2016	United/Anglican Church (land adjacent)	521.00244.100	Land - 8	9,600	9,600	3.0700	\$ 29.47	\$ 650.00	9.9120	\$ 745.16
#874, 2016	South Columbia Search & Society (training facility)	521.00371.110	Land - 6	56,400	154,600	6.7540	\$ 1,044.17	\$ 650.00	21.7023	\$ 3,355.18
			Buildings - 6	98,200						
Grand Total							\$ 15,252.50	\$ 5,850.00		\$ 34,102.82

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.

When and 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.