

VILLAGE OF PEMBERTON

BY-LAW NO. 661, 2011

Being a Bylaw of the Village of Pemberton respecting the Five Year Financial Plan beginning with the year 2011.

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

1. Schedule "A" attached hereto and made part of this Bylaw is hereby adopted and is the Village of Pemberton Five Year Financial Plan established with the year ended December 31, 2011.
2. This Bylaw may be cited for all purposes as "Village of Pemberton Five Year Financial Plan Bylaw No. 661, 2011."

READ A FIRST TIME this 19th day of April, 2011.

READ A SECOND TIME this 19th day of April, 2011.

READ A THIRD TIME this 19th day of April, 2011.

RECONSIDERED, FINALLY PASSED AND ADOPTED this 3rd day of May, 2011.

Mayor

Corporate Officer

Village of Pemberton
2011 - 2015 Five Year Financial Plan
as at April 19, 2011

	2011	2012	2013	2014	2015
	Budget	Budget	Budget	Budget	Budget
Revenues:					
Taxation	1,666,969	1,700,308	1,734,314	1,769,001	1,804,381
General Revenues	85,300	87,006	88,746	90,521	92,331
Admin & Financial Services	20,024	20,424	20,833	21,250	21,675
Development Revenues	188,700	192,474	196,324	200,250	204,255
Fire Services	186,182	189,906	193,704	197,578	201,529
Water Services	697,250	711,195	725,419	739,927	754,726
Sewer Services	901,580	919,611	938,004	956,764	975,899
Air Services	16,000	16,320	16,646	16,979	17,319
Grant Revenues	1,385,078	410,000	960,000	570,000	770,000
Development Cost Charges	122,000	-	-	-	100,000
Long-term Debt	227,452	-	-	-	739,824
Other Revenues	11,000	119,062	161,000	11,660	211,000
Collections for Other Govts	2,153,072	2,196,133	2,240,056	2,284,857	2,330,554
Transfers	1,176,308	387,600	395,352	430,961	439,581
	8,836,915	6,950,040	7,670,398	7,289,748	8,663,074
Expenditures:					
Administration & Financial Services	1,037,692	1,058,445	1,079,614	1,101,207	1,123,231
Governance Services	118,125	120,488	122,897	125,355	127,862
Development Services	375,369	382,876	390,533	398,344	406,311
Public Works and Parks	1,632,009	1,664,649	1,697,942	1,731,901	1,766,539
Fire Services	427,691	436,245	444,970	453,869	462,946
Airport Services	43,500	44,370	45,257	46,163	47,086
Key Priority Projects	2,205,544	180,000	740,000	230,000	1,439,824
Debt interest charges	235,307	235,307	235,307	235,307	235,307
Reduction in long-term debt	145,691	160,691	160,691	160,691	160,691
Repayment of obligations under capital lease	66,875	66,875	66,875	66,875	66,875
Transfers to Other Govts	2,153,072	2,196,133	2,240,056	2,284,857	2,330,554
Transfers	396,041	403,962	446,255	455,180	495,848
	8,836,915	6,950,040	7,670,398	7,289,748	8,663,074
Increase (decrease) in financial equity	0	0	0	0	0

Village of Pemberton
5 Year Financial Plan Bylaw No. 661, 2011
2011 Revenue Policy Disclosure

- The table below shows the proportion of proposed 2011 revenue raised from each funding source. One column shows the proposed revenue including Transfer to Other Governments and the other excluding the Transfers to Other Governments. Transfers to Other Governments are funds requisitioned by other government or government agencies for specifically defined projects.

The Village has a bylaw to charge specific administrative fees for various tasks, such as tax certificates, titles searches, rentals as well as other tasks including a 10% administrative fee. This bylaw is updated when needed, with the last amendment being March 2008. By billing these fees to individual users, this allows a more realistic tax levy as the tax payers are not subjected to funding these miscellaneous expenses.

The Village of Pemberton will continue to seek other sources of revenue to reduce the reliance on property taxes.

In 2007, Council realized that the creation of a Capital Reserve and Equipment Reserve was prudent to reducing potential tax rate increases and borrowing for future capital projects. As such the Village will continue to build up reserves to fund major capital projects. Borrowing will be considered when a capital project will provide benefits to taxpayers over a long period.

Frontage and/or Parcel Taxes are taxes levied for the purpose of paying the debt on the Municipality's Infrastructure, such as our new Sewer Treatment Plant and our New Well. The rates are reviewed annually to determine if they meet the required debt payment schedule for the upcoming fiscal year.

Revenue Source	% Total Revenue(\$8,836,915) *Including Transfers to Other Governments	% Total Revenue (\$6,683,843) Excluding Transfers to Other Governments
Property Taxes	38.9%	19.3%
Parcel Taxes	4.3%	5.7%
User Fees & Charges	23.7%	31.3%
Grants	15.7%	20.7%
DCCs	1.4%	1.8%
Other Revenues	0.1%	0.2%
Proceeds from Borrowing	2.6%	3.4%
Transfers	13.3%	17.6%
Total	100%	100%

*School and Police Taxes have not been received and are based on 2010 requisition and 2011 assessments.

**Village of Pemberton
5 Year Financial Plan Bylaw No. 661, 2011
2011 Revenue Policy Disclosure**

2. The Village follows the Ministry’s Provincial Class Multiples established by British Columbia Regulations 426/203 and 439/2003 shown below.

In addition, the Ministry also sets a ceiling for the maximum allowable rate for class 02. Following is the regulation:

BC Regulation 329/96 defines a rate ceiling for class 02 property for 2000 and subsequent years. The regulation states:

“2. In setting the tax or levy rate for class 2 property for general municipal purposes, a municipality must not exceed the greater of

- a) \$40 for each \$1,000 of assessed value, and
- b) 2.5 times the rate applicable to class 6 property for general municipal purposes in the municipality for the same taxation year.”

The Village falls within this acceptable range.

The following table outlines the distribution of taxes between the property tax classes.

Property Class	Multiples	% of Total Property Assessment Value (\$430,703,394)	% of Total Property Value Tax (\$1,070,161.97)
Residential (Class 01)	1.00	84.05%	69.57%
Utilities (Class 02)	3.50	0.21%	1.02%
Light Industry (Class 05)	3.40	0.57%	1.60%
Business/Commercial (Class 06)	2.25	14.75%	27.46%
Rec/Non-Profit (Class 08)	1.00	0.42%	0.35%
Farm (Class 09)	1.00	0.01%	0.01%
Total		100%	100%

Village of Pemberton
5 Year Financial Plan Bylaw No. 661, 2011
2011 Revenue Policy Disclosure

3. Following is a list of permissive exemptions granted for the taxation year and the amount of municipal tax revenue forgone:

Municipal Buildings:	\$ 7,394
St. David's United Church:	500
Pemberton Childcare Society:	<u>1,575</u>
Total Municipal Revenue Forgone:	\$ <u>9,469</u>

These exemptions follow the requirements of Council's Permissive Exemption Policy adopted in 2006.

Permissive Tax Exemption Policy:

Council will support local organizations through permissive tax exemptions as provided under the *Community Charter*.

In reviewing the request for permissive exemptions, Council Members should ensure:

1. The use is consistent with Municipal policies, plans, bylaws, codes and regulations. This will ensure the goals, policies, and general operating principles of the Municipality as a whole are reflected in the organizations that receive Municipal support.
2. Exemptions are not given to services that are otherwise provided on a private, for profit basis. This would provide an unfair competitive advantage.
3. The services provided by the organization should be an extension of Municipal services and programs and must fall under the responsibility of local government. Senior government program costs must not be transferred to property taxpayers, as this would represent double taxation and an inequitable tax burden.
4. Primarily Village of Pemberton residents should use the services and the organization's regulations must allow all Pemberton residents to participate.
5. The taxation burden resulting from the exemption must be a justifiable expense to the taxpayers of the Village of Pemberton. The sources of Municipal revenue are limited and request for exemption must be considered in concert with other needs of the Municipality.

**Village of Pemberton
5 Year Financial Plan Bylaw No. 661, 2011
Notes to the Village of Pemberton's
Financial Plan**

Note 1

General Assumptions:

1. A 10% Administration Fee will be charged to individual user requests and tasks.
2. General Municipal Property Taxes will be increased for inflation by 2% per year for the years 2011 to 2015.
2. There is new construction of \$1,312,100 for 2011 (assessment totals).
3. Operating expenses will increase by 2% each year.
4. General debt collections, frontage and/or parcel taxes, will equal the general debenture interest and principle payments. This tax is paid by all property owners within the Village of Pemberton who have the ability to connect to the Village's Infrastructure.
5. Water frontage tax has been reduced from \$6.11 to \$4.05 per meter resulting in a decrease of \$43,000 due to the retirement of debt.
6. The Industrial Park parcel taxes equal the debt based on the overall costs of the project. Only those properties that did not choose to commute their cost will be levied.
7. User fees for water and sewer increased 2% in 2011.

Note 2

2011 Capital Projects (\$2,081,544):

- Works Equipment
 - Bus Shelter Project (Completion of) 290,000
 - Skateboard Park 283,544
 - Water Park (Joint Partnership w/SLRD) 125,000
 - Implementation of Lot 12 Landscaping Plan 18,000
- Parks
 - Benches and Picnic Tables 8,000
- Fire Department
 - New Truck 200,000
- Development
 - Disc Golf Course 9,000
- Water
 - Reservoir Valve Installation 20,000
 - Reservoir 2nd Transducer Installation 10,000
 - Museum Water Service 18,000
- Sewer
 - Cottonwood to Hwy 99 sewer line upgrade 1,100,000

Total **\$2,081,544**