

VILLAGE OF PEMBERTON

BY-LAW NO. 648, 2010

Being a Bylaw of the Village of Pemberton respecting the Five Year Financial Plan beginning with the year 2010.

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, 2010.
2. This Bylaw may be cited for all purposes as "Village of Pemberton Five Year Financial Plan Bylaw No. 648, 2010."

READ A FIRST TIME this 4th day of May, 2010.

READ A SECOND TIME this 4th day of May, 2010.

READ A THIRD TIME this 4th day of May, 2010.

RECONSIDERED, FINALLY PASSED AND ADOPTED this 11th day of May, 2010.

Mayor

Corporate Officer

Village of Pemberton
Five Year Financial Plan 2010 - 2014
as at April 30, 2010

	2010 Budget	2011 Budget	2012 Budget	2013 Budget	2014 Budget
Revenue:					
Taxation	\$ 1,380,350	\$ 1,410,374	\$ 1,441,299	\$ 1,473,152	\$ 1,505,961
Grants in lieu of taxation	84,600	87,138	89,752	92,445	95,218
Fees, rates and service fees	302,897	310,336	338,555	395,198	399,458
Grants	1,738,344	500,000	500,000	500,000	500,000
Licences and permits	255,500	207,915	210,402	212,965	215,603
Investment income	3,500	3,605	3,713	3,825	3,939
Interest and penalties on taxes	91,000	93,730	96,542	99,438	102,421
Water user rates	664,750	640,200	640,664	641,141	641,633
Sewer user rates	909,539	911,189	912,889	914,639	916,442
Airport Revenue	138,990	85,510	88,074	90,717	92,651
Collections for other governments	2,182,182	2,247,648	2,315,077	2,384,529	2,456,065
Contributions and Other	133,533	100,000	100,000	100,000	100,000
Development cost charges	484,620	250,000	250,000	250,000	250,000
	8,369,805	6,847,645	6,986,967	7,158,049	7,279,391
Expenditures:					
General government	877,691	802,566	825,818	849,767	874,435
Protective services	442,691	454,486	457,642	505,595	553,923
Public works	423,734	436,446	449,539	463,026	476,916
Planning and development	231,185	164,991	169,940	175,038	180,290
Community services	145,488	149,853	154,348	158,979	163,748
Parks and cultural services	149,380	141,501	145,746	150,119	154,622
Water utility	372,554	383,216	394,712	406,553	418,750
Sewer utility	426,094	438,877	452,043	465,604	479,573
Airport expenditures	210,873	73,134	75,328	77,588	79,916
Debt interest charges	268,381	286,544	359,137	359,137	376,355
Amortization Expenses	525,000	547,000	574,000	640,000	672,000
Transfer to other governments	2,182,182	2,247,648	2,315,077	2,384,529	2,456,065
	6,255,253	6,126,262	6,373,330	6,635,935	6,886,593
Net operating activity	2,114,552	721,383	613,637	522,114	392,798
Capital expenditures	(2,146,904)	(1,100,000)	(1,350,000)	(3,300,000)	(1,600,000)
Amortization expenses	525,000	547,000	574,000	640,000	672,000
Proceeds received from issuance of debt	0	350,000	600,000	1,000,000	500,000
Reduction in long-term debt	(141,691)	(159,191)	(189,191)	(239,191)	(264,191)
Capital expenditures through capital lease obligations	0	0	0	0	0
Repayment of obligations under capital lease	(82,709)	(59,931)	(41,393)	(26,535)	(20,765)
Transfer from/to surplus	(268,248)	(299,261)	(207,053)	1,403,612	320,158
Increase (decrease) in financial equity	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Village of Pemberton
5 Year Financial Plan Bylaw No. 648, 2010
2010 Revenue Policy Disclosure

- The table below shows the proportion of proposed 2010 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(\$8,369,805) Including Transfers to Other Governments	% Total Revenue (\$6,187,623) Excluding Transfers to Other Governments
Property Taxes	41.4%	20.7%
Parcel Taxes	1.2 %	1.6%
User Fees & Charges	25.5%	34.5%
Grants	21.7%	29.4%
Other Revenues	10.2%	13.8%
Proceeds from Borrowing	- %	- %
Total	100%	100%

**Village of Pemberton
5 Year Financial Plan Bylaw No. 648, 2010
2010 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 Value Tax (\$1,000,816)	% of Total Property Assessment Value (\$426,989,972)
Residential (Class 01)	1.00	64.4%	83.5%
Utilities (Class 02)	3.50	1.1%	.2%
Light Industry (Class 05)	3.40	1.7%	.6%
Business/Commercial (Class 06)	2.25	32.3%	15.3%
Rec/Non-Profit (Class 08)	1.00	.5%	.4%
Farm (Class 09)	1.00	0%	0%
Total		100%	100%

Village of Pemberton
5 Year Financial Plan Bylaw No. 648, 2010
2010 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:	\$ 7,849
St. David's United Church:	503
Pemberton Childcare Society:	<u>1,563</u>
Total Municipal Revenue Forgone:	\$ <u>9,915</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. 648, 2010
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 3% per year for the years 2010 to 2014.
2. There is new construction for 2010 of \$9,464,845.
3. Operating expenses will increase by 3% 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. The Industrial Park parcel taxes will 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.
6. User fees for water and sewer increased 3% in 2010.

Note 2

2010 Capital Projects (\$2,146,904):

• Works Equipment		
- New Sander Hopper		25,000
- New Ford Ranger		20,000
- Building maintenance and barrier free access		70,000
• Parks		
- One Mile Lake Trail		60,000
• Development		
- Skateboard Park		367,854
- Seniors Housing fill		120,000
- Flood Elevation Analysis		120,000
• Water		
Water Looping		628,541
Water Metering and leak detection		481,140
Wellhead protection		20,000
• Sewer		
Sewer Treatment Plant decommissioning		125,000
• Airport		
- AWOS III Project		<u>109,369</u>
Total		<u>\$2,146,904</u>