

District of Squamish
BYLAW NO. 2439, 2016

A bylaw to adopt the 2016-2020 Five Year Financial Plan

WHEREAS Section 165 (1) of the Community Charter requires that a municipality have a five year financial plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted;

NOW THEREFORE the Council of the District of Squamish, in open meeting assembled, enacts as follows:

1. This bylaw may be cited as “District of Squamish 2016-2020 Five Year Financial Plan Bylaw No. 2439, 2016.”
2. Schedule “A”, attached hereto and forming part of the bylaw, is hereby declared to be the 2016-2020 Five Year Financial Plan.
3. Schedule “B”, attached hereto and forming part of the bylaw, is hereby declared to be the Statement of Objectives and Policies in accordance with Section 165 (3.1) of the Community Charter.

READ A FIRST, SECOND and THIRD time this day of , 2016

ADOPTED this day of , 2016

Patricia Heintzman, Mayor

Robin Arthurs, Corporate Officer

DISTRICT OF SQUAMISH
Schedule A to Bylaw 2439, 2016
2016-2020 Five Year Financial Plan

	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
REVENUE					
Taxation					
General Taxation	(24,454,018)	(27,399,425)	(27,277,760)	(28,829,213)	(29,181,817)
Special Assessments	(260,345)	(262,045)	(88,434)	(90,203)	(92,007)
Parcel Taxes Water and Sewer	(508,225)	(518,390)	(528,757)	(539,332)	(550,119)
Grants in Lieu of Taxes	(1,064,858)	(1,086,155)	(1,107,878)	(1,130,036)	(1,152,637)
	<u>(26,287,446)</u>	<u>(29,266,015)</u>	<u>(29,002,830)</u>	<u>(30,588,784)</u>	<u>(30,976,580)</u>
Revenue from Fees & Charges					
General Fees & Charges	(1,331,830)	(1,358,467)	(1,385,636)	(1,413,349)	(1,441,616)
Solid Waste User Fees & Charges	(3,046,595)	(3,153,427)	(3,216,495)	(3,280,825)	(3,346,442)
Water User Fees & Charges	(3,612,854)	(3,685,111)	(3,758,813)	(3,833,990)	(3,910,669)
Sewer User Fees & Charges	(5,045,628)	(5,146,541)	(5,249,471)	(5,354,461)	(5,461,550)
	<u>(13,036,907)</u>	<u>(13,343,545)</u>	<u>(13,610,416)</u>	<u>(13,882,624)</u>	<u>(14,160,277)</u>
Revenue from Other Sources					
Investment Income	(963,867)	(1,080,960)	(1,037,017)	(1,200,049)	(1,394,039)
Other Revenue & DCC	(2,516,695)	(2,528,528)	(2,660,615)	(2,606,990)	(2,741,102)
Other Government Grants	(1,616,861)	(1,402,298)	(1,402,681)	(1,403,071)	(1,403,469)
	<u>(5,097,423)</u>	<u>(5,011,786)</u>	<u>(5,100,313)</u>	<u>(5,210,110)</u>	<u>(5,538,609)</u>
Funding for Capital Purposes					
Capital Revenue - Fees & Charges	(94,456)	(184,672)	(184,672)	(184,672)	(184,672)
Capital Revenue - Other Revenue	(1,766,740)	(651,651)	-	-	-
Development Cost Charges	(4,826,820)	(6,622,891)	(3,622,479)	(459,335)	(1,556,280)
Capital Revenue - Grants	(2,610,286)	(3,120,377)	(1,574,000)	(1,574,000)	(1,574,000)
Contributed Assets	-	(11,000)	-	-	-
	<u>(9,298,302)</u>	<u>(10,590,591)</u>	<u>(5,381,151)</u>	<u>(2,218,007)</u>	<u>(3,314,952)</u>
TOTAL REVENUE	\$ (53,720,078)	\$ (58,211,936)	\$ (53,094,709)	\$ (51,899,526)	\$ (53,990,418)

DISTRICT OF SQUAMISH
Schedule A to Bylaw 2439, 2016
2016-2020 Five Year Financial Plan

Continued

	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
EXPENSE					
Municipal - General Purposes					
General Government	7,119,794	7,133,395	7,073,832	7,286,940	7,474,679
Protective Services	8,406,799	8,516,760	8,886,138	9,052,401	9,221,499
Transportation & Transit	4,783,205	4,249,523	4,491,464	4,440,591	4,608,401
Economic and Community Development	2,124,562	1,931,542	1,814,891	1,954,769	1,990,345
Recreation, Parks and Trails	4,366,160	4,372,740	4,582,578	4,563,601	4,586,346
Public Health - Cemetery	74,533	76,024	107,544	79,095	80,677
Other Fiscal Services	134,686	237,632	149,882	122,571	101,803
Debt Interest	1,084,303	1,383,974	1,490,375	1,587,551	1,641,783
Amortization	3,703,948	4,102,699	4,501,672	4,627,896	4,834,696
	31,797,991	32,004,290	33,098,376	33,715,417	34,540,230
Solid Waste Operations	3,000,270	2,952,551	3,012,548	3,070,978	3,130,575
Other Fiscal Services	25,000	25,000	25,000	25,000	25,000
Debt Interest	17,098	17,098	17,098	17,098	17,098
	3,042,368	2,994,649	3,054,647	3,113,076	3,172,674
Water System Operations	2,252,720	2,317,089	2,361,127	2,408,347	2,456,512
Other Fiscal Services	39,979	48,596	46,551	33,130	33,130
Debt Interest	243,999	295,616	342,758	360,543	378,327
Amortization	789,790	850,281	908,821	946,494	977,937
	3,326,487	3,511,582	3,659,257	3,748,515	3,845,907
Sewer System Operations	2,764,613	2,794,628	2,807,825	2,873,981	2,921,259
Other Fiscal Services	51,774	52,631	50,000	55,691	50,000
Debt Interest	246,647	252,403	175,053	181,551	181,551
Amortization	794,014	917,524	945,595	995,253	1,040,585
	3,857,049	4,017,187	3,978,474	4,106,475	4,193,394
TOTAL EXPENSE	42,023,894	42,527,709	43,790,754	44,683,483	45,752,205
(SURPLUS) / DEFICIT	\$ (11,696,184)	\$ (15,684,227)	\$ (9,303,955)	\$ (7,216,043)	\$ (8,238,213)

DISTRICT OF SQUAMISH
Schedule A to Bylaw 2439, 2016
2016-2020 Five Year Financial Plan

Continued

	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
Balance Forward SURPLUS (DEFICIT)	\$ (11,696,184)	\$ (15,684,227)	\$ (9,303,955)	\$ (7,216,043)	\$ (8,238,213)
ADJUST TO BALANCED BUDGET FORMAT					
NON CASH ITEMS					
Amortization Expense	(5,287,752)	(5,870,504)	(6,356,088)	(6,569,644)	(6,853,218)
CASH ITEMS NOT RECOGNIZED AS REVENUE					
Borrowing	(11,577,863)	(5,862,094)	(3,675,000)	(2,015,000)	(1,750,000)
CASH ITEMS NOT RECOGNIZED AS EXPENSE					
Capital Expenditures					
General Government	1,183,070	1,410,000	1,190,000	550,000	578,000
Protective Services	2,718,112	1,514,000	73,000	554,000	196,000
Transportation & Transit	12,560,620	10,561,115	4,078,000	4,590,500	4,046,000
Economic and Community Development	244,013	250,000	250,000	250,000	250,000
Recreation, Parks and Trails	3,726,892	850,166	960,000	-	-
Water Utility	2,915,219	5,481,268	4,975,759	1,346,744	1,207,119
Sewer Utility	5,399,502	2,768,413	2,415,582	1,853,582	3,539,582
	<u>28,747,428</u>	<u>22,897,462</u>	<u>13,942,341</u>	<u>9,144,826</u>	<u>9,816,701</u>
Debt Principal Repayment					
General Fund	1,461,904	1,887,695	1,961,073	2,161,932	2,311,829
Solid Waste Utility	45,664	47,614	49,638	51,738	55,239
Water Utility Fund	323,250	389,289	454,982	495,019	537,140
Sewer Utility Fund	403,278	428,871	313,564	331,132	347,440
	<u>2,234,096</u>	<u>2,753,470</u>	<u>2,779,256</u>	<u>3,039,822</u>	<u>3,251,648</u>
TRANSFERS FROM OWN AND OTHER FUNDS					
From Accumulated Surplus & Provisions	(2,811,727)	(235,000)	(350,000)	(300,000)	(250,000)
From Reserve Funds-General	(2,213,265)	(1,479,154)	(598,426)	(668,274)	(516,000)
From Reserve Funds-Water	8,925	(146,721)	(401,434)	159,698	261,825
	<u>(5,016,067)</u>	<u>(1,936,366)</u>	<u>(1,425,351)</u>	<u>(843,903)</u>	<u>(504,175)</u>
TRANSFERS TO OWN AND OTHER FUNDS					
To Accumulated Surplus & Provisions	(31,086)	31,506	96,699	101,996	107,400
To Reserve Funds - General	2,339,213	2,567,380	2,849,711	3,141,907	3,451,740
To Reserve Funds - Solid Waste	16,137	125,849	130,178	137,381	144,773
To Reserve Funds - Water	23,580	23,850	22,566	18,722	20,451
To Reserve Funds - Sewer	248,498	953,674	939,642	1,059,936	552,893
	<u>2,596,342</u>	<u>3,702,259</u>	<u>4,038,797</u>	<u>4,459,942</u>	<u>4,277,257</u>
NET ADJUSTED - BALANCED BUDGET	\$ -	\$ -	\$ -	\$ -	\$ -

SCHEDULE “B”
Statement of Objectives and Policies

District of Squamish 2016-2020 Five Year Financial Plan Bylaw No. 2439, 2016

A. Distribution of Funding Sources

1. The District’s objectives & policies relating to funding sources are as follows:

- a. Continue to monitor proportional revenue sources relative to the BC average and review user fees with respect to cost recovery for services provided;

Revenue Source	Squamish 2016	BC Avg. 2014
Taxation	48.93%	46.29%
Sale of Services	24.44%	31.48%
Transfers from Other Government	7.87%	7.38%
Investment Income	1.79%	2.57%
Developer Contributions	8.99%	9.89%
Other Revenue	7.97%	1.41%
Disposition of Assets	0.00%	0.98%
Total Revenue	100.00%	100.00%

- b. Ensure adequate tax and user fee revenue to sustain existing service levels, including price changes resulting from the cost of doing business and adequate renewal and rehabilitation of existing infrastructure;
- c. Support additional increases to tax and user fees, beyond sustaining existing service levels, by a business case which considers on-going operating costs and alignment with the community vision;
- d. Maintain relatively stable tax and user fee increases that are aligned with standard cost of business changes;
- e. Phase in any future increases, where future costs are identified in advance, so as to minimize spikes in taxes and/or user fees; and
- f. Limit borrowing to a level that allows room for emergencies and unexpected opportunities with a target debt servicing limit of 20% of revenue.

- The funding source breakdown, as prescribed in Section 165 (3.1) and (7) of the Community Charter, is presented in the following table:

Funding source	2016 Budget	%
Property Value Taxes	25,779,221	39.48%
Parcel Taxes	508,225	0.78%
User Fees	13,131,363	20.11%
Other Revenue	14,301,269	21.90%
Borrowing	11,577,863	17.73%
Total Funding Sources	\$ 65,297,941	100.00%

B. Distribution of Property Value Taxes among the Property Tax Classes

The District's objectives and policies relating to property value tax distribution are as follows:

- Tax rates for various property classes have been set based on the prior year's BC average class multipliers for all classes without legal caps except for the light industry class (class 5);
- Light industry (class 5) has been set based on the prior year's BC average rate; but
- The District is exploring moving, on a phased basis, to a defined class multiplier system, initially based on prior year's BC averages.

C. Permissive Tax Exemptions

- Criteria established for granting Permissive Tax Exemptions are outlined by District policy A03E-02 and are summarized as follows:
 - Lands and improvements owned or held by charitable, philanthropic or other not-for profit corporations or organizations and used for purposes directly relating to the purpose of that organization;
 - The use of land and improvements must benefit the community in one of the following ways:
 - Provides programs or facilities for youth, seniors or special needs groups;
 - Provides recreational facilities for public use;
 - Provides recreation programs to the public;
 - Provides supportive housing for people with special needs;
 - Preserves heritage important to community character;
 - Preserves environmentally and ecologically significant areas;
 - Offers cultural and educational programs to the public promoting community spirit, cohesiveness and tolerance; and
 - Offers services to the public in formal partnership with the municipality.

2. The District of Squamish has approved, by bylaws, permissive tax exemptions to the following non-profit organizations under section 224 and 225 of the Community Charter. The estimated value of municipal tax exempted for 2016 is as follows:

Alano Club of Squamish	\$3,194
BC Lions Society for Children with Disabilities	32,357
Church of Jesus Christ of Latter Day Saints	1,997
Church on 99	\$1,825
Federation of Mountain Clubs of BC	815
Howe Sound Women's Centre Society	8,551
Roman Catholic Archbishop of Vancouver	7,704
Royal Canadian Legion, Diamond Head Br#277	7,169
Squamish Baptist Church	6,030
Squamish Montessori Society	7,774
Squamish Oceanfront Development*	31,759
Squamish Senior Citizens Home Society	40,673
Squamish Sikh Society	6,121
Squamish Sustainability Corp	76,163
Squamish United Church	431
Squamish Valley Golf Club	60,006
Squamish Visitors Centre – Chamber of Commerce	6,788
The Synod of the Diocese of New Westminster	5,385
Trustees of Squamish Jehovah's Witness	11,737
West Coast Railway Association	<u>14,824</u>
Total	\$331,303

*SODC lands sold February. Lands will be exempt for partial year only. Figure adjusted accordingly.

D. Revitalization Tax Exemptions

It is the District's policy to consider revitalization tax exemptions when such an exemption program is believed to provide an incentive for accelerated economic growth.