

**HARRISON HOT SPRINGS**

*Naturally Refreshed*

# VILLAGE OF HARRISON HOT SPRINGS NOTICE OF MEETING AND AGENDA

## SPECIAL COUNCIL MEETING

**Date:** Tuesday, April 17, 2012  
**Time:** 7:00 p.m.  
**Location:** Memorial Hall, 290 Esplanade Avenue  
Harrison Hot Springs, BC

<b>1. CALL TO ORDER</b>		
	(a)	Meeting called to order by Mayor Facio
<b>2. INTRODUCTION OF LATE ITEMS</b>		
<b>3. APPROVAL OF AGENDA</b>		
<b>4. ADOPTION OF COUNCIL MINUTES</b>		
		Item 4.1
<b>5. BUSINESS ARISING FROM THE MINUTES</b>		
		Item 5.1
<b>6. CONSENT AGENDA</b>		
<b>i. Bylaws</b>		Item 6.i
<b>ii. Agreements</b>		Item 6.ii
<b>iii. Committee/ Commission Minutes</b>		Item 6.iii
<b>iv. Correspondence</b>		Item 6 iv
<b>7. DELEGATIONS AND PETITIONS</b>		
<input type="checkbox"/>		None

<b>8. CORRESPONDENCE</b>		
		Item 8.1
<b>9. BUSINESS ARISING FROM CORRESPONDENCE</b>		
<b>10. REPORTS OF COMMITTEES, COMMITTEE OF THE WHOLE AND COMMISSIONS</b>		
<b>11. REPORTS FROM MAYOR</b>		
<b>12. REPORTS FROM STAFF</b>		
<input type="checkbox"/> 2012-2021 Financial Plan	2012-2021 Financial Plan Director of Finance - PowerPoint Presentation	Item 12.1
<b>13. BYLAWS</b>		
<input type="checkbox"/> Bylaw 1004 2012-2021 Financial Plan	THAT Village of Harrison Hot Springs Financial Plan Bylaw No. 1004, 2012 be received for a first, second and third reading.	Item 13.1 Page 1
<input type="checkbox"/> Bylaw 1005 Tax Rate Bylaw	THAT Tax Rate Bylaw 1005, 2012 be received for a first, second and third reading.	Item 13.2 Page 7
<b>14. QUESTIONS FROM THE PUBLIC</b>		
<b>15. ADJOURNMENT</b>		

# **HARRISON HOT SPRINGS**

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## **VILLAGE OF HARRISON HOT SPRINGS BYLAW NO. 1004**

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### **A Bylaw of the Village of Harrison Hot Springs to establish the Financial Plan for the years 2012 - 2021.**

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WHEREAS the Community Charter requires the municipality to adopt a financial plan annually;

AND WHEREAS public consultation regarding the financial plan was provided by way of an open meeting;

NOW THEREFORE the Council of the Village of Harrison Hot Springs, in open meeting, lawfully assembled, ENACTS AS FOLLOWS:

1. That Schedule "A" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan for the years 2012-2021.
2. That Schedule "B" attached hereto and made part of this bylaw is hereby adopted and is the Village of Harrison Hot Springs Financial Plan Objectives and Policies Statement for the year 2012 – 2021.
3. This bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Financial Plan Bylaw No. 1004, 2012"
4. Bylaw No. 972, 2011 – 2020 Financial Plan is hereby repealed.

**READ A FIRST TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**READ A SECOND TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**READ A THIRD TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**ADOPTED THIS    DAY OF APRIL, 2011**

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**Leo Facio  
Mayor**

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**Debra Key  
Corporate Officer**

**Schedule A  
Bylaw No. 1004  
Financial Plan  
2012 - 2021**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>										
Property Taxes - Residential	\$ 1,007,000	\$ 1,035,000	\$ 1,066,000	\$ 1,096,000	\$ 1,131,000	\$ 1,165,000	\$ 1,200,000	\$ 1,236,000	\$ 1,273,000	\$ 1,311,000
Property Taxes - Business	710,000	733,000	755,000	778,000	801,000	825,000	850,000	876,000	902,000	929,000
Property Taxes - Rec / Non Profit	57,000	61,000	63,000	65,000	67,000	69,000	71,000	73,000	75,000	77,000
Penalties and Interest	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600	20,600
Revenue Taxes	31,500	31,300	31,300	31,300	31,300	31,300	31,500	31,500	31,500	31,500
Payments in Lieu of Taxes	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700	6,700
Sale of Services	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500
Revenues from Own Sources	1,320,500	1,296,200	1,295,700	1,293,700	1,292,700	1,292,500	1,292,500	1,292,500	1,292,500	1,300,000
Other Revenues	5,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850	2,850
DCC Revenues	313,000	228,500	52,000	643,000	203,000	552,000	411,000	810,000	542,500	1,449,500
Transfers from Other Governments	1,896,700	3,760,700	560,700	560,700	560,700	560,700	560,700	560,700	560,700	560,700
<b>Total Revenues</b>	<b>\$ 5,374,350</b>	<b>\$ 7,181,350</b>	<b>\$ 3,859,350</b>	<b>\$ 4,505,350</b>	<b>\$ 4,122,350</b>	<b>\$ 4,531,150</b>	<b>\$ 4,452,350</b>	<b>\$ 4,915,350</b>	<b>\$ 4,712,850</b>	<b>\$ 5,694,350</b>
<b>Expenditures</b>										
General Government	\$ 1,138,050	\$ 1,079,800	\$ 1,108,800	\$ 1,082,900	\$ 1,097,400	\$ 1,129,600	\$ 1,125,150	\$ 1,139,650	\$ 1,174,850	\$ 1,179,150
Community Services	197,750	175,100	178,100	170,600	170,600	171,250	172,500	172,500	173,000	173,000
Protective Services	211,650	167,250	167,250	167,350	167,350	167,700	167,700	167,700	167,700	168,700
Public Works	192,800	205,600	204,200	202,750	203,800	205,150	205,500	205,500	203,800	206,000
Transportation Services	179,050	155,050	157,050	139,100	142,050	144,100	144,100	145,600	145,600	146,600
Environmental and Public Health	128,650	123,300	123,300	123,300	123,300	123,300	123,300	123,300	123,300	123,300
Recreation and Culture	330,900	305,250	317,650	315,350	314,850	315,050	315,100	315,100	315,100	315,100
Sewer Utility	446,950	441,650	433,650	433,650	436,500	439,500	439,700	439,700	439,700	439,700
Water Utility	185,300	178,500	176,500	206,500	207,500	208,500	209,500	209,500	209,500	209,500
Debt - Interest	31,450	33,450	33,450	48,450	40,000	40,000	40,000	40,000	40,000	40,000
Amortization of capital assets	581,300	581,300	581,300	581,300	581,300	581,300	581,100	581,100	581,100	581,100
<b>Total Expenditures</b>	<b>\$ 3,624,050</b>	<b>\$ 3,446,250</b>	<b>\$ 3,481,250</b>	<b>\$ 3,471,250</b>	<b>\$ 3,484,650</b>	<b>\$ 3,525,450</b>	<b>\$ 3,523,650</b>	<b>\$ 3,539,650</b>	<b>\$ 3,573,650</b>	<b>\$ 3,582,150</b>
<b>Surplus (Deficit)</b>	<b>\$ 1,750,300</b>	<b>\$ 3,735,100</b>	<b>\$ 378,100</b>	<b>\$ 1,034,100</b>	<b>\$ 637,700</b>	<b>\$ 1,005,700</b>	<b>\$ 928,700</b>	<b>\$ 1,375,700</b>	<b>\$ 1,139,200</b>	<b>\$ 2,112,200</b>
<b>Capital, Debt , Reserve Transfers and Borrowing</b>										
Capital Expenditures	\$ (2,521,700)	\$ (3,760,000)	\$ (375,000)	\$ (1,018,000)	\$ (589,000)	\$ (967,000)	\$ (814,000)	\$ (1,241,000)	\$ (965,500)	\$ (1,920,500)
Repayment of debt	(152,400)	(145,400)	(152,400)	(32,400)	(27,000)	(27,000)	(27,000)	(27,000)	(27,000)	(27,000)
Replacement reserves	(323,000)	(411,000)	(432,000)	(565,000)	(603,000)	(593,000)	(669,000)	(689,000)	(728,000)	(746,000)
Reserves used for capital financing	665,500	-	-	-	-	-	-	-	-	-
Appropriation from surplus	-	-	-	-	-	-	-	-	-	-
Equity in tangible capital assets	581,300	581,300	581,300	581,300	581,300	581,300	581,300	581,300	581,300	581,300
Borrowing	-	-	-	-	-	-	-	-	-	-
	<b>\$ (1,750,300)</b>	<b>\$ (3,735,100)</b>	<b>\$ (378,100)</b>	<b>\$ (1,034,100)</b>	<b>\$ (637,700)</b>	<b>\$ (1,005,700)</b>	<b>\$ (928,700)</b>	<b>\$ (1,375,700)</b>	<b>\$ (1,139,200)</b>	<b>\$ (2,112,200)</b>
<b>Surplus (Deficit) plus Capital, Debt Reserve Transfers and Borrowing</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**BYLAW NO. 1004, 2012**  
**SCHEDULE B**  
**2012 FINANCIAL PLAN OBJECTIVES AND POLICIES**

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Harrison Hot Springs is required to include in the Ten 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.

### **Funding Sources**

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2012. Property taxes usually 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 fairly easy for residents to understand. It offers a stable and reliable source of revenues for services that are difficult or undesirable to fund on a user pay basis.

These include services such as:

- general administration;
- public works common services;
- roads and street maintenance;
- fire protection and bylaw enforcement;
- street lighting; and
- beach and parks maintenance.

During 2012 the Village will complete the upgrade of the existing Wastewater Treatment Plant with the balance of the Municipal Rural Infrastructure Funding (MRIF) and the Strategic Priorities Funding. Other funding for this project is from Village reserves.

Government grants include both unconditional and conditional grants that are to be used for specified projects.

User fees and charges typically form the second largest proportion of planned revenue. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services— these are charged on a user pay basis. User fees attempt to apportion the value of a service to those who use the service.

**Table 1: 2012 Funding Sources**

<b>Revenue Source</b>	<b>% of Total Revenue</b>	<b>Dollar Value</b>
Property taxes	<b>30.3%</b>	<b>\$1,832,800</b>
Service utility fees	<b>6.4%</b>	<b>\$383,000</b>
Government grants	<b>31.4%</b>	<b>\$1,896,700</b>
User fees and charges	<b>12.3%</b>	<b>\$742,000</b>
Reserve transfers	<b>11.0%</b>	<b>\$665,500</b>
DCCs	<b>5.2%</b>	<b>\$313,000</b>
Other sources	<b>3.4%</b>	<b>\$206,850</b>

**Objectives**

- For 2012 the Village is comfortable with the current mix of funding sources;
- To develop further funding sources to gain more revenue; and
- Endeavour to develop funding sources that will be sustainable over the short and long term.

**Policies**

- Over time, decrease the Village's reliance on property taxes and focus on increasing revenue received from user fees and charges;
- Pursue cost recovery for water, sewer and other municipal services through appropriate user fees;
- Ensure that user fees and charges are increased on a regular basis in line with inflation while ensuring that services remain affordable and competitive;
- Attempt to keep proportionate share of revenue from property taxes at a level similar to the average of comparable municipalities;
- Mitigate the impact on property taxes by applying for government grants;
- Endeavour to acquire resources whose primary responsibility is to seek out, apply for, and manage provincial and federal government grants.

## Distribution of Property Taxes

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class provides the largest proportion of the assessment base and consumes the majority of Village services.

**Table 2: Distribution of Property Tax Rates**

<b>Property Class</b>	<b>% of Total Property Taxation</b>	<b>Dollar Value</b>
<b>Residential (1)</b>	<b>56.7%</b>	<b>\$1,007,000</b>
<b>Business (6)</b>	<b>40.0%</b>	<b>\$710,000</b>
<b>Recreation/Non-profit (8)</b>	<b>3.3%</b>	<b>\$57,000</b>

## Objectives

- Village Council recognizes that residential tax payers are the predominant users of municipal services and therefore should bear a larger portion of the tax burden. Therefore review the ratio to see if changes are required; and
- Ensure that the Village is competitive with other similar sized municipalities in British Columbia.

## Policies

- Set property tax rates that are based on principals of equity and responsiveness to current economic trends;
- Regularly review and compare the Village's distribution of tax burden relative to other similar municipalities in British Columbia; and
- Ensure that property taxes are in line with goals and policies in the Official Community Plan and Regional Growth Strategy;

## **Permissive Tax Exemptions**

The Village should consider how to support or encourage growth in the community through the use of permissive tax exemptions. For example;

- Is the financial loss of a permissive tax exemption to the social benefit?
- Is there evidence of long-term benefit from a revitalization tax exemption?
- Who will benefit directly or indirectly from permissive tax exemptions?
- Review all relevant considerations, factors and other advice in relation to permissive tax exemptions from the Ministry of Community Development.

### **Objective**

To actively pursue answers to the above and make appropriate recommendations as to whether a permissive tax exemption policy needs to be developed.

### **Policy**

The Village does not have an existing policy which guides the administration and approval of permissive tax exemptions.

# HARRISON HOT SPRINGS

*Naturally Refreshed*

## VILLAGE OF HARRISON HOT SPRINGS

### BYLAW NO. 1005 TAX RATE BYLAW

#### **A Bylaw to establish tax rates for 2012**

The Council of the Village of Harrison Hot Springs, in open meeting, lawfully assembled, ENACTS AS FOLLOWS:

1. The following rates are hereby imposed and levied for the year 2012.
  - (a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of Schedule I attached hereto and forming a part of this bylaw.
  - (b) For Regional Hospital District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "A" of Schedule II attached hereto and forming a part of this bylaw.
  - (c) For Regional District purposes on the full assessed value of all land and assessed value of all improvements taxable for Regional Hospital District purposes, rates appearing in Column "B" of Schedule II attached hereto and forming a part of this bylaw.
2. The minimum amount of taxation upon a parcel of real property shall be one dollar (\$1.00).
3. This bylaw may be cited as "Tax Rate Bylaw No. 1005, 2012."
4. Bylaw No. 973, 2011 Tax Rate Bylaw is hereby repealed.

**READ A FIRST TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**READ A SECOND TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**READ A THIRD TIME THIS 17<sup>th</sup> DAY OF APRIL, 2012**

**ADOPTED THIS DAY OF APRIL, 2012**

\_\_\_\_\_  
Leo Facio  
Mayor

\_\_\_\_\_  
Debra Key  
Corporate Officer

## BYLAW NO. 1005, 2012

## SCHEDULE I

## GENERAL MUNICIPAL PURPOSES

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)
	GENERAL MUNICIPAL
1. Residential	3.23408
2. Utilities	11.31928
3. Supportive Housing	3.23408
4. Major Industry	10.99587
5. Light Industry	10.99587
6. Business/Other	11.31928
7. Managed Forest Land	9.70224
8. Recreation/Non Profit	14.55334
9. Farm	3.23408

## BYLAW NO. 1005, 2012

## SCHEDULE II

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)		
	A REGIONAL HOSPITAL	B REGIONAL DISTRICT	TOTAL
1. Residential	.23461	.13082	.36490
2. Utilities	.82114	.45787	1.27901
3. Supportive Housing	.23461	.13082	.36490
4. Major Industry	.79767	.44479	1.24246
5. Light Industry	.79767	.44479	1.24246
6. Business/Other	.57479	.32051	.89530
7. Managed Forest Land	.70383	.39246	1.09629
8. Recreation/Non Profit	.23461	.13082	.36490
9. Farm	.23461	.13082	.36490

