



VILLAGE OF HARRISON HOT SPRINGS NOTICE OF MEETING AND AGENDA

SPECIAL COUNCIL MEETING

Date: Tuesday, April 29, 2014
Time: 7:00 p.m.
Location: Memorial Hall, 299 Esplanade Avenue
 Harrison Hot Springs, British Columbia

1. CALL TO ORDER	
Meeting called to order by Mayor Facio	
2. INTRODUCTION OF LATE ITEMS	
3. APPROVAL OF AGENDA	
4. DELEGATIONS	
5. REPORTS FROM STAFF	
Report of Director of Finance – Verbal Re: Power Point Presentation on 2014-2023 Financial Plan	Item 5.1
6. BYLAWS	
Recommendation: THAT the Financial Plan Bylaw No. 1053, 2014 be given first, second and third reading.	Item 6.1 Page 1
Recommendation: THAT the Tax Rate Bylaw No. 1054, 2014 be given first, second, and third reading.	Item 6.2 Page 7
7. QUESTION PERIOD	
8. ADJOURNMENT	



**VILLAGE OF HARRISON HOT SPRINGS
BYLAW NO. 1053**

A Bylaw of the Village of Harrison Hot Springs to establish the Financial Plan for the years 2014 - 2023.

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 2014-2023.
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 2014 – 2023.
3. This bylaw may be cited for all purposes as the "Village of Harrison Hot Springs Financial Plan Bylaw No. 1053, 2014"
4. Bylaw No. 1037, 2013 – 2022 Financial Plan is hereby repealed.

READ A FIRST TIME THIS DAY OF APRIL, 2014.

READ A SECOND TIME THIS DAY OF APRIL, 2014.

READ A THIRD TIME THIS DAY OF APRIL, 2014.

ADOPTED THIS DAY OF MAY, 2014.

Mayor

Corporate Officer

**Schedule A
Bylaw No. 1053
Financial Plan
2014 - 2023**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues										
Property Taxes - Residential	\$ 1,097,250	\$ 1,119,000	\$ 1,141,500	\$ 1,164,000	\$ 1,187,000	\$ 1,211,000	\$ 1,235,000	\$ 1,260,000	\$ 1,285,000	\$ 1,311,000
Property Taxes - Business	680,500	694,000	708,000	722,000	736,000	751,000	766,000	781,000	797,000	813,000
Property Taxes - Rec / Non Profit	72,250	74,000	75,500	77,000	79,000	81,000	83,000	85,000	87,000	89,000
Penalties and Interest	23,000	23,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Revenue Taxes	32,100	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500
Payments in Lieu of Taxes	4,000	4,100	4,200	4,200	4,300	4,500	4,500	4,600	4,700	4,700
Sale of Services	5,600	5,600	5,100	5,100	5,100	5,100	5,000	5,000	5,000	5,000
Revenues from Own Sources	1,412,300	1,251,000	1,250,500	1,249,000	1,250,000	1,250,000	1,250,000	1,247,100	1,249,100	1,249,100
Other Revenues	52,800	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
DCC Revenues	279,800	331,000	246,000	202,999	566,000	413,500	809,999	451,000	1,452,500	570,000
Transfers from Other Governments	1,815,750	532,400	532,400	532,400	532,400	532,400	532,400	532,400	532,400	532,400
Total Revenues	\$ 5,475,350	\$ 4,067,900	\$ 4,018,000	\$ 4,011,499	\$ 4,414,600	\$ 4,303,300	4,740,699	\$ 4,420,900	\$ 5,467,500	\$ 4,629,000
Expenditures										
General Government	\$ 1,100,750	\$ 1,061,600	\$ 1,078,200	\$ 1,113,550	\$ 1,105,600	\$ 1,118,500	\$ 1,159,000	\$ 1,148,600	\$ 1,163,200	\$ 1,198,750
Community Services	151,400	135,200	126,700	126,700	126,700	126,700	126,700	126,700	126,700	124,100
Protective Services	181,750	173,750	174,950	169,900	169,550	168,150	173,250	173,250	166,750	170,750
Public Works	224,200	213,250	214,050	216,750	213,950	214,650	200,850	202,950	204,450	204,500
Transportation Services	119,550	110,600	110,600	112,600	112,700	102,700	100,200	100,200	100,200	100,200
Flood Protection	15,950	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
Environmental and Public Health	128,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200	129,200
Recreation and Culture	312,300	284,800	281,800	281,300	280,400	280,400	278,500	278,500	292,000	278,500
Sewer Utility	760,000	468,000	467,000	467,000	467,000	467,000	467,000	465,000	465,000	465,000
Water Utility	264,000	256,000	211,000	212,000	212,000	212,000	212,000	212,000	211,000	211,000
Debt - Interest	13,850	14,000	14,000	14,000	14,000	14,000	14,000	11,000	6,000	1,000
Amortization of tangible capital assets	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000
Total Expenditures	\$ 3,981,950	\$ 3,572,400	\$ 3,533,500	\$ 3,569,000	\$ 3,557,100	\$ 3,559,300	\$ 3,586,700	\$ 3,573,400	\$ 3,590,500	\$ 3,609,000
Surplus (Deficit)	\$1,493,400	\$ 495,500	\$ 484,500	\$ 442,500	\$ 857,500	\$ 744,000	\$ 1,154,000	\$ 847,500	\$ 1,877,000	\$ 1,020,000
Capital, Debt, Reserve Transfers and Borrowing										
Capital Expenditures	\$ (3,093,500)	\$ (784,000)	\$ (599,000)	\$ (560,000)	\$ (1,482,000)	\$ (845,000)	\$ (1,356,000)	\$ (974,500)	\$ (1,924,000)	\$ (1,045,000)
Repayment of debt	(63,400)	(13,500)	(63,500)	(55,500)	(158,500)	(150,000)	(100,000)	(150,000)	(63,000)	-
Replacement reserves	(273,000)	(508,000)	(532,000)	(537,000)	(15,000)	(459,000)	(408,000)	(433,000)	(600,000)	(685,000)
Reserves used for capital financing	1,128,000	100,000	-	-	88,000	-	-	-	-	-
Appropriation from surplus	98,500	-	-	-	-	-	-	-	-	-
Equity in tangible capital assets	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000	710,000
	\$ (1,493,400)	\$ (495,500)	\$ (484,500)	\$ (442,500)	\$ (857,500)	\$ (744,000)	\$ (1,154,000)	\$ (847,500)	\$ (1,877,000)	\$ (1,020,000)
Surplus (Deficit) plus Capital, Debt Reserve Transfers and Borrowing	\$ (0)	\$ (0)	\$ -	\$ 0	\$ (0)	\$ -	\$ 0	\$ -	\$ 0	\$ -

BYLAW NO. 1053, 2014
SCHEDULE B
2014 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 2013. 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 government and administration;
- public works;
- roads and street maintenance;
- fire protection and bylaw enforcement;
- street lighting;
- recreation and culture; and
- beaches and parks maintenance.

During 2014 the Village will complete the construction of a new water treatment facility aided by grants from the General Strategic Priorities Fund and Innovation Fund under the Gas Tax Agreement and the Regionally Strategic Priorities Fund. Also to be completed in 2014 is the revitalization of Block 1, Esplanade, to be 100% funded from Resort Municipality Initiative funds and Gas Tax revenues.

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: 2014 Funding Sources

Revenue Source	% of Total Revenue	Dollar Value
Property taxes	33.8%	\$1,850,000
Service utility fees	7.1%	\$387,000
Government grants	33.2%	\$1,815,750
User fees and charges	12.0%	\$659,000
DCCs	5.1%	\$279,800
Other sources	8.8%	\$483,800

Objectives

- For 2014 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

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	59.3%	\$1,097,250
Business (6)	36.8%	\$680,500
Recreation/Non-profit (8)	3.9%	\$72,250

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.





VILLAGE OF HARRISON HOT SPRINGS

BYLAW NO. 1054

A Bylaw to establish tax rates for 2014

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 2014.
 - (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 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. 1054, 2014."
4. Bylaw No. 1038, 2013 Tax Rate Bylaw is hereby repealed.

READ A FIRST TIME THIS DAY OF APRIL, 2014.

READ A SECOND TIME THIS DAY OF APRIL, 2014.

READ A THIRD TIME THIS DAY OF APRIL, 2014.

ADOPTED THIS DAY OF MAY, 2014.

Mayor

Corporate Officer

BYLAW NO. 1054, 2014

SCHEDULE I

GENERAL MUNICIPAL PURPOSES

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)
	GENERAL MUNICIPAL
1. Residential	3.59231
2. Utilities	12.57309
3. Supportive Housing	3.59231
4. Major Industry	12.21385
5. Light Industry	12.21385
6. Business/Other	12.57309
7. Managed Forest Land	10.77693
8. Recreation/Non Profit	17.06347
9. Farm	3.59231

BYLAW NO. 1054, 2014

SCHEDULE II

PROPERTY CLASS	TAX RATES (DOLLARS OF TAX PER \$1,000 TAXABLE VALUE)		
	A REGIONAL HOSPITAL	B REGIONAL DISTRICT	TOTAL
1. Residential	.23087	.26122	.49209
2. Utilities	.80805	.91427	1.72232
3. Supportive Housing	.23087	.26122	.49209
4. Major Industry	.78496	.88815	1.67311
5. Light Industry	.78496	.88815	1.67311
6. Business/Other	.56563	.63999	1.20562
7. Managed Forest Land	.69261	.78366	1.47627
8. Recreation/Non Profit	.23087	.26122	.49209
9. Farm	.23087	.26122	.49209