



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 1705-20 / 1970-02

From: Chief Administrative Officer

Date: May 5, 2014

Subject: 2014-2018 Financial Plan, Bylaw 2785 and 2014 Tax Rates, Bylaw 2786

PURPOSE:

The purpose of this report is to consider approval of the 2014-2018 Financial Plan Bylaw No. 2785, 2014 and the 2014 Property Tax Rates Bylaw No. 2786, 2014.

POLICY ANALYSIS:

Section 165 of the *Community Charter* requires that the City annually adopt a five year financial plan bylaw.

Section 166 of the *Community Charter* directs that Council must undertake a process of public consultation regarding the proposed financial plan prior to finally adopting the annual bylaw.

Section 197 of the *Community Charter* requires that Council impose, by bylaw, property value tax rates each year.

EXECUTIVE SUMMARY:

On April 9th, Council considered and approved an increase of 1.95% in the revenue raised from property taxes. This was subsequently reduced to 1.70% prior to Council consideration of the property tax multiplier. On April 22, 2014 Council approved a commercial tax multiplier of 2.80 for use in setting the 2014 property tax rates.

Council must now consider adoption of the annual bylaws for adoption of the five year financial plan and the 2014 property tax rates.

CAO RECOMMENDATIONS:

That based on the May 5, 2014 Staff Report "2014-2018 Financial Plan, Bylaw No. 2785 and 2014 Tax Rates, Bylaw No. 2786" Council APPROVE Option1 to approve adoption of the required annual bylaws.

Respectfully submitted,

Original Signed

David Allen
Chief Administrative Officer

BACKGROUND:

On April 9th, Council considered and approved an increase of 1.95% in the revenue raised from property taxes. This was subsequently reduced to an increase of 1.70% for the 2014 budget year. On April 22, 2014 Council approved a commercial tax multiplier of 2.80 for use in setting the 2014 property tax rates.

The final 2014-2018 Financial Plan and 2014 Tax Rates Bylaws have been prepared using a tax revenue increase of 1.70% and a commercial rate multiplier of 2.80.

DISCUSSION:

Section 166 of the Community Charter directs that Council must undertake a process of public consultation regarding the proposed financial plan prior to finally adopting the annual bylaw.

Detailed information in regards to the 2014-2018 Financial Plan has been available via the City's website. In addition, the City launched the Citizen Budget communication tool this year, which provides further budget detail and includes an on-line budget survey to solicit feedback from the public.

The use of the Citizen Budget communication tool has proven to be worthwhile. In the three weeks since it was launched, the page has been viewed over 170 times, and of these views, 52 citizens have chosen to participate in the survey. In past years, there has been minimal public response to budget information posted via the City's website or to budget open houses provided by staff.

Attached for Council's information is a report generated from the Citizen Budget tool. Based on the postal code information provided, staff report that of the 52 respondents, 42 reside within the City of Courtenay and the remaining 10 reside either in Comox or in the rural area.

Overall, the majority of respondents felt that the City provided "very good or fairly good" value for the services received in the areas of protective services, recreation/parks/culture, water/sewer utilities, and waste collection services. However, the area of transportation services received a lower grade, with many of the respondents requesting less focus on "car-centric" planning, and more focus on other modes of travel along with the infrastructure to support it.

The survey also asked respondents to list the "top 5" issues they felt the City faced. Results to date show the following choices:

- 1 73% Maintaining Infrastructure i.e. roads, water, sewer, storm drainage
- 2 59% Transportation
- 3 49% Parks, Recreation, and Cultural Services
- 4 47% Environment
- 5 35% Crime
- 5 35% Public Engagement
- 31% Fire Protection
- 31% Social
- 29% Other
- 25% Growth
- 2% None

The Citizen Budget survey remains to the public until June 30th, after which staff will provide Council with a summary of the final survey results and public comments provided.

ADMINISTRATIVE IMPLICATIONS:

Subsequent to final adoption of the annual five-year financial plan and tax rates bylaws, Staff will prepare the 2014 property tax notices. These notices are generally mailed to property owners in later part of May each year.

STRATEGIC PLAN REFERENCE:

While there is no specific reference in the Strategic Plan for the development and setting of the five year financial plan and property tax rates, this is a statutory requirement that must be carried out annually.

OFFICIAL COMMUNITY PLAN REFERENCE:

The Vision and Strategy includes the following statements:

- An inclusive, open and caring community
- Commitment to continued excellence
- A strong downtown
- Balance and ability to lead growth and the provision of services
- An expanding parks, natural areas and greenways system
- Commitment to serve youth and seniors

REGIONAL GROWTH STRATEGY REFERENCE:

Not applicable.

CITIZEN/PUBLIC ENGAGEMENT:

Once the tax rates bylaw has been approved, property tax information will be made publically available on the City's website.

OPTIONS:

OPTION 1: That Council approves the provision of three readings of the 2014-2018 Financial Plan Bylaw No. 2785, 2014 and the Tax Rates Bylaw No. 2786, 2014.

OPTION 2: That Council defers consideration of the 2014-2018 Financial Plan Bylaw No. 2785, 2014 and the Tax Rates Bylaw No. 2486, 2014 for further discussion.

While Option 2 provides the opportunity for further discussion, Council must be aware the Community Charter stipulates the bylaws must be adopted no later than May 15, 2014. Additional special meetings of Council would need to be scheduled to ensure the bylaws can be adopted on time.

Prepared by:

Original Signed

Tillie Manthey, BA, CPA, CGA
Director, Financial Services/Deputy CAO

Attachment (1)

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2786

A bylaw to impose rates on all taxable lands and improvements

Whereas pursuant to the provisions of the *Community Charter* the Council must each year, by bylaw, impose property value taxes on all land and improvements according to the assessed value thereof, by establishing rates for:

- a. the municipal revenue proposed to be raised for the year from property value taxes, as provided in the financial plan, and
- b. the amounts to be collected for the year by means of rates established by the municipality to meet its taxing obligations in relation to another local government or other public body;

Therefore, the Council of the Corporation of the City of Courtenay in open meeting assembled, enacts as follows:

1. This bylaw may be cited for all purposes as “**Tax Rates Bylaw No. 2786, 2014**”.
2. 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 column “A” of the schedule attached hereto and forming a part of this bylaw hereof;
 - (b) For debt purposes, on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column “B” of the schedule attached hereto and forming a part of this bylaw hereof;
 - (c) For purposes of the Vancouver Island Regional Library on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column “C” of the schedule attached hereto and forming a part of this bylaw hereof;
 - (d) For purposes of the Comox Valley Regional District on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column “D” of the schedule attached hereto and forming a part of this bylaw hereof;
 - (e) For purposes of the Comox Valley Regional District on the assessed value of land and improvements taxable for general hospital purposes, rates appearing in Column “E” of the schedule attached hereto and forming a part of this bylaw hereof;

- (f) For purposes of the Comox-Strathcona Regional Hospital District on the assessed value of land and improvements taxable for hospital purposes, rates appearing in column "F" of the schedule attached hereto and forming a part of this bylaw hereof;
 - (g) For purposes of the Downtown Courtenay Business Improvement Area on the assessed value of land and improvements for general municipal purposes, rates appearing in column "G" of the schedule attached hereto and forming a part of this bylaw hereof.
3. As soon as is practicable after the 2nd day of July, 2014, there shall be added to the unpaid taxes of the current year, in respect of each parcel of land and its improvements on the property tax roll, ten percent of the amount unpaid as of the 2nd day of July, 2014; and the said unpaid taxes together with the amount added as aforesaid, shall be deemed to be taxes of the current year due on such land and improvements.

Read a first time this 5th day of May, 2014

Read a second time this 5th day of May, 2014

Read a third time this 5th day of May, 2014

Finally passed and adopted this 12th day of May, 2014

Mayor

Director of Legislative Services

BYLAW NO. 2786, 2014

SCHEDULE

Tax Rates (dollars of tax per \$1000 taxable value)

Property Class	A General Municipal	B Debt	C Library	D Regional District (rates applied to general assessment)	E Regional District (rates applied to hospital assessment)	F Regional Hospital District	G Downtown Courtenay Business Improv. Area
1. Residential	3.4656	0.3630	0.2171	0.3424	0.4548	0.8422	0.0000
2. Utilities	24.2592	2.5409	1.5195	2.3967	1.5919	2.9478	0.0000
3. Supportive Housing	3.4656	0.3630	0.2171	0.3424	0.4548	0.8422	0.0000
4. Major Industry	13.5158	1.4156	0.8466	1.3353	1.5465	2.8635	0.0000
5. Light Industry	13.5158	1.4156	0.8466	1.3353	1.5465	2.8635	1.0978
6. Business/Other	9.7037	1.0164	0.6078	0.9587	1.1144	2.0634	1.0978
8. Recr/Non-Profit	3.4656	0.3630	0.2171	0.3424	0.4548	0.8422	0.0000
9. Farm	3.4656	0.3630	0.2171	0.3424	0.4548	0.8422	0.0000