



Village of Belcarra

2006 – 2010 Five Year Financial Plan

Prepared By: **Lynda Floyd, Administrator**

Tel: **(604) 937-4100**

Fax: **(604) 939-5034**

E-mail: lfloyd@belcarra.ca

Website: www.belcarra.ca



Agenda

- 1. The Budget Process**
- 2. Five Year Capital Plan**
- 3. Year 2006 Budget**
- 4. 2006–2010 Budgets**
- 5. Present Financial Health**
- 6. Revenues & Expenditures**
- 7. Municipal Taxation**



Budget Process

- **The *Financial Plan Bylaw* is typically adopted in April.**
- **The *Tax Rate Bylaw* must be adopted by May 15th each year.**
- **The *Community Charter* permits the *Financial Plan Bylaw* to be adopted prior to the *Tax Rate Bylaw*.**



Before We Begin You Should Know...

- **Your tax bill contains charges from other taxing jurisdictions such as School District 43, GVRD , GVTA, BCAA, etc.**
- **The *Village of Belcarra* has no control over the amount of other jurisdiction's charges.**
- **Belcarra is simply required to include these levies on the property tax bill.**
- **Belcarra is required to submit these levies to other governments by August, whether or not the taxes are paid by taxpayers.**



Property Tax Classification

- **Assessments are done by BCAA.**
- **Based on property use and whether meets requirements of tax class.**
- **Assessment value is determined by the market, and set in October of the previous year.**
- **There may be exemptions that automatically apply against assessment.**



2006 Property Assessments

NET TAXABLE RESIDENTIAL ASSESSED VALUES			
MUNICIPALITY	2005	2006	INCREASE
Coquitlam	\$ 12,557,587,617	\$ 13,777,377,302	+ 9.71%
Port Coquitlam	\$ 4,902,263,500	\$ 5,412,191,496	+ 10.40%
Port Moody	\$ 3,070,836,485	\$ 3,602,065,801	+ 17.30%
Anmore	\$ 321,003,200	\$ 418,382,300	+ 30.34%
Belcarra	\$ 203,279,401	\$ 232,990,601	+ 14.62%
DISTRICT TOTAL	\$ 21,054,970,203	\$ 23,443,006,780	+ 11.35%

14.62% = overall assessment base increase.
 - **0.87%** = added assessment base (new since 2005).
13.76% = average property assessment increase.



Average Assessment Change

- **Market Changes (Residential Properties)**
- **In 2006, the “average” house assessment is:**
\$680,000
- **In 2005, the “average” house assessment was:**
\$600,000
- **Change of \$80,000 represents an average market value increase of ~13.8%**
- **Tax rate reduced to offset the increase.**



Property Tax Rates

2006 Property Tax Levy = \$1.96 / \$1000

(Assessed Value) x (Tax Levy) = Tax Rate

That appears on Property Tax Statement
\$680,000 x \$1.96/\$1000 = \$1,333

(This is the portion of taxes that the Village levies for operating purposes.)



2006 Municipal Revenue & Expenditures



2006 Budget Highlights

- Average Assessed Home (\$680,000):
 - General Property Tax Rate = **\$1.96/\$1000 of assessed value**
(Reduced from **\$2.12/\$1000**)
 - Annual Garbage User Fee = **\$140/year/residence**
(Increase of **\$15/year/residence**)
 - This represents a **7.5% reduction in the tax rate.**
- Residential Taxes:
 - Total Municipal Taxes Levied = + **5.9% increase**
 - Average Property Tax Levy = + **5.0% increase**
 - Annual Garbage User Fee = + **12% increase**



2006 Operating Budget

Category	2005 Actual	2006 Budget	\$ Change	% Change
Property Taxes	\$ 523,999	\$ 516,422	\$ (7,577)	-1.4%
Government Grants	\$ 267,258	\$ 113,766	\$ (153,492)	-57.4%
Fees & Charges	\$ 42,275	\$ 51,733	\$ 9,458	22.4%
Total Revenue:	\$ 833,532	\$ 681,921	\$ (151,611)	-18.2%
Expenditures:				
Office Administration	\$ 471,918	\$ 501,431	\$ 29,513	6.3%
Public Works	\$ 196,965	\$ 133,213	\$ (63,752)	-32.4%
Total Expenditures:	\$ 668,883	\$ 634,644	\$ (34,239)	-5.1%
Sub-Total:	\$ 164,649	\$ 47,277	\$ (117,372)	-71.3%
Capital Expenditures:				
Capital Projects	\$ 308,277	\$ 83,373	\$ (224,904)	-73.0%
Prov. From Future Exp.	\$ 154,024	\$ 71,286	\$ (82,738)	-53.7%
Transfer To Reserves	\$ -	\$ 35,000	\$ 35,000	\$ -
Surplus (Deficit):	\$10,396	\$190	-\$10,206	



What Does 5.0% Average Tax Increase Mean to the Village ?

14.62% = overall assessment base increase.

- **0.87%** = added assessment base (new since 2005).

= **13.76%** = average property assessment increase.

+5.9% = increase in 2006 municipal taxes collected

+5.0% = increase in 2006 average property tax

-7.5% = decrease in the 2006 tax rate

-7.0% = decrease in the 2006 budget



2006 Public Works Expenditures

General Breakdown:

- **\$23,800 spending non-MRN roads maintenance.**
- **\$61,800 MRN funds allocated to Bedwell Bay Road.**
- **\$47,169 garbage costs (includes roadside tree chipping & large item pick-up).**



Five Year Capital Plan



Financial Planning Objectives

- **\$150,000 / year Contribution to Capital**
 - minimum requirement to maintain infrastructure
- **Rebuild Reserves to 25% of Budget**
 - financial safety net
- **Complete Fire Protection Works**
 - protection of life and property
 - insurance savings to property owners
- **Maintain Bedwell Bay Road**
 - safety improvements and rehabilitation
 - additional funding from GVTA Major Roads Network (MRN)



2006 Capital Projects

PROJECT	TOTAL COST	GENERAL REVENUE	OTHER FUNDING	COMMENTS / OR SOURCE OF FUNDS
Fire Protection Water Main – Survey & Design Tatlow Extension to West Road	\$7,000	\$7,000	0	Fire Protection Water Main
Fire Protection Water Main 2006 Works <u>completed in 2005</u>	\$113,888	\$62,965	50,923	Fire Protection Water Main
Equipment – Recycle Depot	\$6,500	\$6,500	0	Video Camera
Equipment Reserve – Truck Replacement	\$20,000	\$20,000	0	Purchase Planned in 2008
Equipment Reserve – Tractor Replacement	\$15,000	\$15,000	0	Purchase Planned in 2010
Office – Software Upgrade	\$5,570	\$5,570	0	Accounting Software
TOTAL CAPITAL	\$167,958	\$117,035	\$50,923	



2007–2010 Capital Projects

CAPITAL PROJECTS	2007	2008	2009	2010
<u>Roads & Drainage</u>				
Firehall to West Rd. on Bedwell Bay Rd. – Overlay	\$15,000		\$30,000	
FD-Rd widening & off-street parking/retaining wall		\$25,000		
West Road to Old Park Entrance – Overlay				\$35,000
Bel/Bed – Midden Road at Park – Overlay			\$30,000	
Shewchuck–Young–Hazletts on Marine – Overlay	\$30,000			
Kelly Road – Overlay				\$45,000
Hazletts to West Road at Bedwell Bay – Overlay		\$30,000		
Lower Coombe Lane – Overlay			\$15,000	\$15,000
Robson Road – Storm, Curb & Overlay				\$25,000
Senkler Bridge Girders (2006 inspection OK)	\$25,000			
Bel/Bed – Midden – Bedwell Bay – Overlay		\$30,000		
<u>Municipal Hall & Buildings</u>				
Municipal Hall – Entrance Rockwork & Sign	\$9,000			
Municipal Hall – Parking Lot Overlay	\$14,000			
Capital Sub-total	\$93,000	\$85,000	\$75,000	\$120,000



2007–2010 Capital Projects

CAPITAL PROJECTS	2007	2008	2009	2010
<u>Fire Protection Extensions</u>				
Tatlow Ext. Main – Tanks on Bedwell Bay Road				\$50,000
Tatlow Ext. Tatlow – McGirr on Main				\$15,000
Tatlow Ext. Shewchuck–Young–Hazlett at Marine	\$65,000			
Tatlow Ext. Hazlett – West Road on Bedwell Bay		\$75,000		
Bedwell Bay Road – West Road to Firehall			\$50,000	
Dutchman Ext. Bel/Bed – Midden at Park (extra)			\$50,000	
<u>Equipment</u>				
Reserve – Truck & Tractor Replacement	\$49,000	\$50,000	\$31,000	\$25,000
<u>Recycle Facility & Equipment</u>				
Recycle Road Access & Gate			\$28,000	
Recycle Card-Lock Access		\$13,000		
Recycle Video Monitoring (3rd Camera)	\$400			
Fire Protection & Misc Capital Sub-total	\$114,400	\$138,000	\$159,000	\$90,000
Total Capital	\$207,400	\$223,000	\$234,000	\$210,000

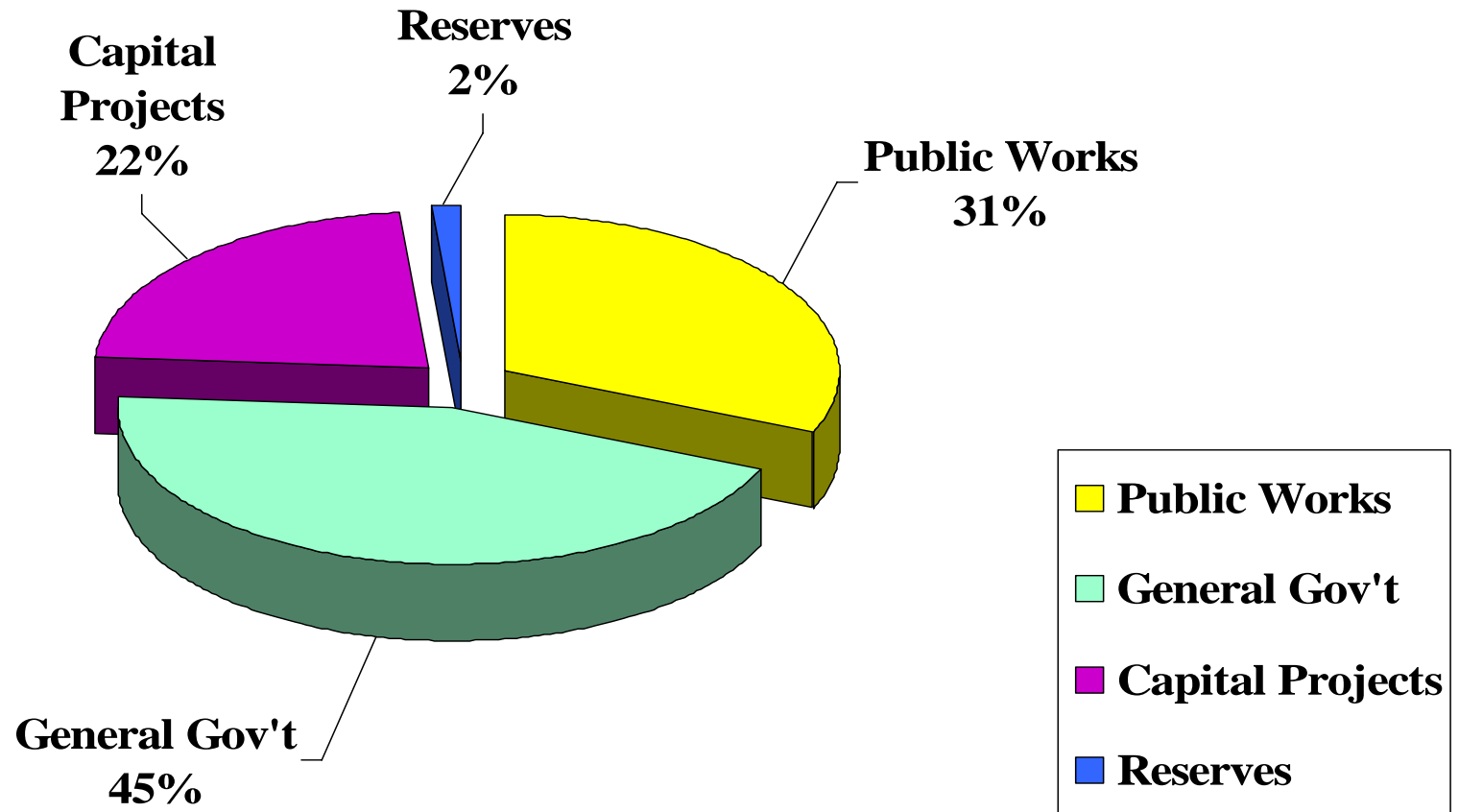


2007-2010 Projected Budgets

	2007	2008	2009	2010
Revenue:				
Property Taxes	\$ 529,333	\$ 542,566	\$ 556,130	\$ 570,033
Government Grants	\$ 164,689	\$ 168,000	\$ 168,000	\$ 168,000
Fees & Charges	\$ 48,000	\$ 49,200	\$ 50,430	\$ 51,691
Total Revenue:	\$ 742,022	\$ 759,766	\$ 774,560	\$ 789,724
Expenditures:				
Office Administration	\$ 506,010	\$ 506,010	\$ 506,010	\$ 506,010
Public Works	\$ 133,355	\$ 133,355	\$ 133,355	\$ 133,714
Total Expenditures:	\$ 639,365	\$ 639,365	\$ 639,365	\$ 639,724
Sub-Total:	\$ 102,657	\$ 120,401	\$ 135,195	\$ 150,000
Capital Expenditures:				
Capital Projects	\$ 158,400	\$ 170,400	\$ 166,195	\$ 175,000
Transfer To Reserves	\$ 55,743	\$ 50,000	\$ 31,000	\$ 25,000
Surplus (Deficit)	\$0	\$1	\$0	\$0

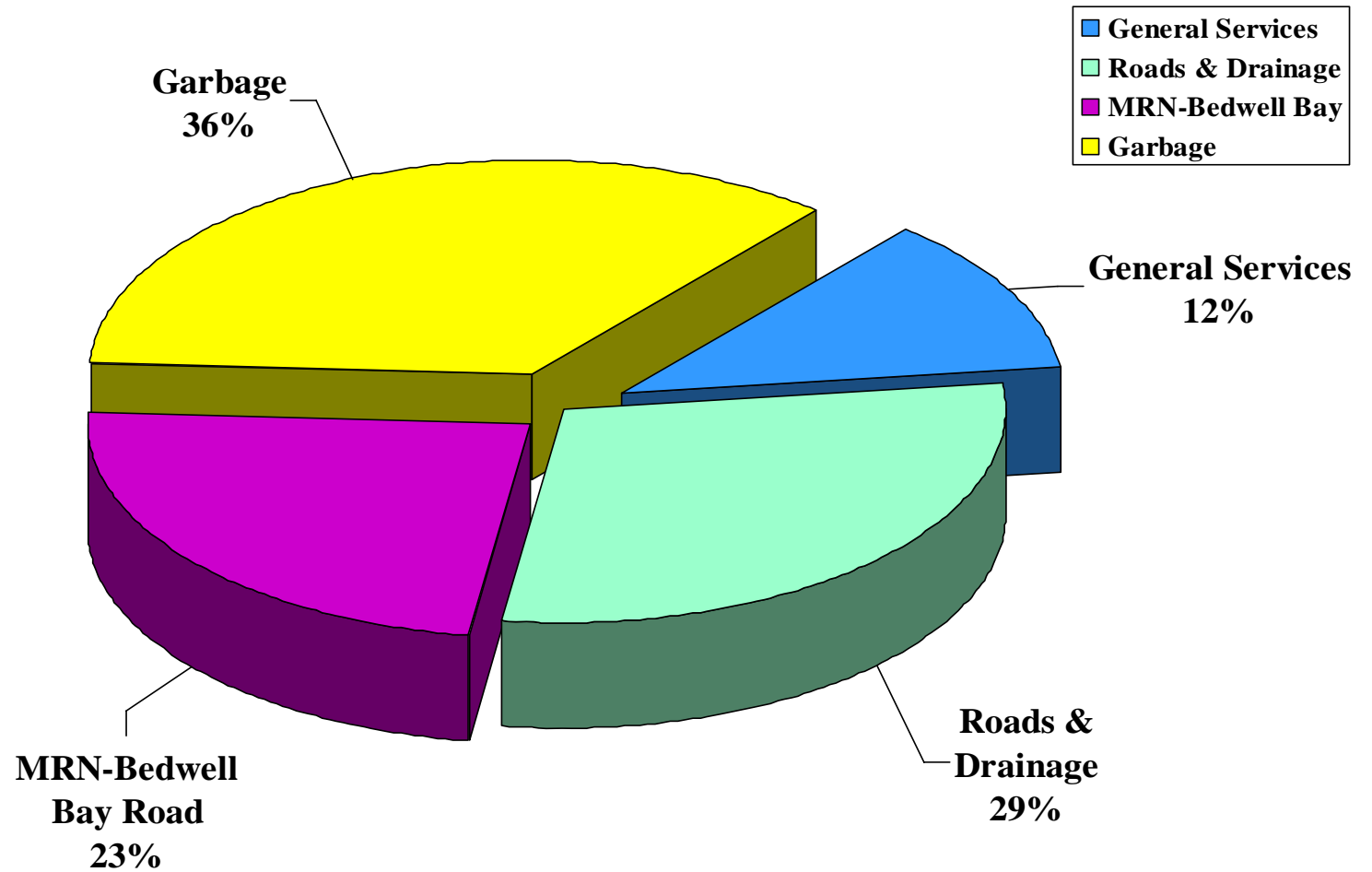


Typical Year Operating Costs





2006 Public Works Expenditures





2006 Budget – Capital Projects

- **Total Capital Spending** = **\$167,958**
- **Fire Protection System** = **\$ 7,000**
- **Fire Protection System** = **\$113,888**
(2006 Works completed in 2005)
- **Office – Accounting Software** = **\$ 5,570**
- **Equipment – Recycle Depot** = **\$ 6,500**
- **Equipment – Reserve** = **\$ 35,000**



2006 Budget – Key Points

- **General government grants:**
 - **Small Community Grant (unchanged) = \$102,889**
 - **MRN Funding increased (Bedwell Bay Rd) = \$ 61,800**
- **-7.0% = 2006 budget vs. 2005 actual**
- **+5.0% = 2006 average tax increase**
for municipal purposes



Municipal Property Taxation



Municipal Tax Levy

By Assessed Value

Assessment	<u>2005</u>	<u>2006</u>	<u>Change</u>
Tax Rate	\$2.12	\$1.96	\$ -0.16
\$500,000	\$1,060	\$ 980	-\$80
\$600,000	\$1,272	\$1,176	-\$96
\$680,000	\$1,442	\$1,333	-\$109
\$700,000	\$1,484	\$1,372	-\$112
\$800,000	\$1,696	\$1,568	-\$128
\$900,000	\$1,908	\$1,764	-\$144
\$1,000,000	\$2,120	\$1,960	-\$160



Why will the tax levy **decrease \$109 on an average assessed home (\$680,000) ?**

- **Tax Rate reduced from \$2.12 to **\$1.96** per \$1000 of assessment.**
- **Assessment Base increased +14.62%.**



What is the Financial Health of the Municipality?

- **The municipality is in good financial health, as suggested by the following financial indicators:**
 - ✓ **No debt !**
 - ✓ **Pay-as-you-go policy.**
 - ✓ **Financial reserves.**
 - ✓ **Low cost of operations.**

It is prudent to maintain financial reserves at 25% of the annual budget.



Financial Health – Reserve Balances (31-12-2005)

General Reserve	\$124,052
Equipment Fund	<u>\$ 44,674</u>
	<u>\$168,726</u>

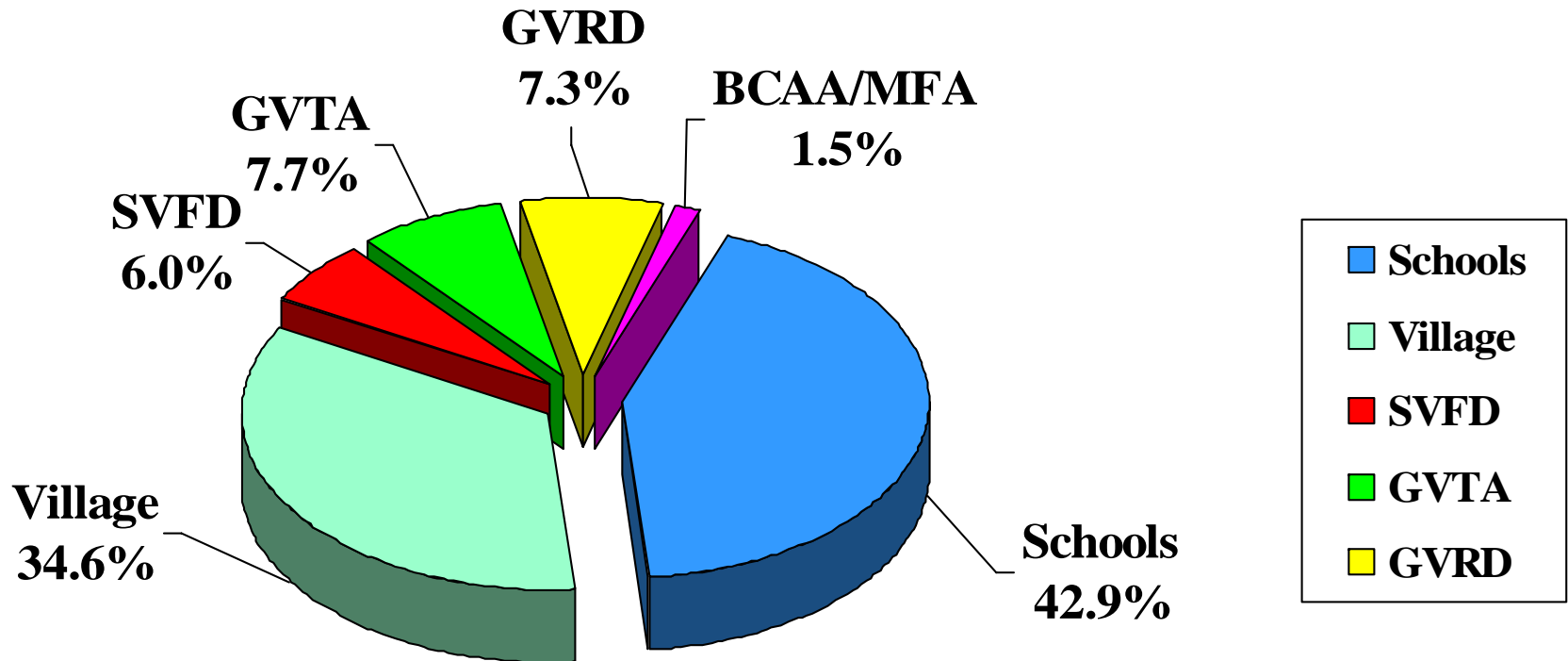
Reserves should be ~25% of the annual budget to maintain Financial Health, i.e. ~\$174,000...

The purpose of setting aside reserves is to provide funding for various anticipated future capital expenditures, to ensure sufficient funds are available when required to avoid the need to incur debt.



Municipal Tax Dollar Where does it go?

2005 Tax Year



2005 Survey Results (MCAWS)

Residential Property Taxes --- Single Family Dwelling

Municipalities	Average Ass. Value	Municipal Taxes	School Taxes	GVRD/ SVFD	BCA, MFA Other	Parcel Taxes	Total Res. User Fees	Total Res. Taxes
Pitt Meadows	291,965	1,128	843	27	165	0	567	2,730
Langley City	308,500	1,416	885	29	175	0	640	3,144
Maple Ridge	311,981	1,262	901	29	177	35	464	2,867
Langley Township	323,829	1,135	929	30	183	148	434	2,859
Port Coquitlam	345,783	1,392	911	30	196	0	626	3,154
Surrey	366,958	1,066	992	32	208	152	688	3,137
Delta	367,088	1,406	964	34	383	0	566	3,352
New Westminister	383,664	1,761	1,079	35	217	0	641	3,734
Coquitlam	413,135	1,407	1,088	38	234	258	380	3,405
Richmond	433,954	1,329	1,152	38	246	0	658	3,422
Port Moody	443,524	1,602	1,168	41	251	0	585	3,647
White Rock	465,596	2,125	1,259	43	264	30	255	3,975
Burnaby	478,006	1,488	1,194	44	271	303	245	3,544
Belcarra	487,955	1,034	1,285	219	276	0	125	2,940
Bowen Island	502,508	1,276	950	44	350	56	66	2,742
N. Vancouver City	513,940	1,493	1,166	48	291	0	493	3,491
Anmore	566,089	811	1,491	225	320	179	516	3,542
Vancouver	585,798	1,634	1,449	59	337	0	613	4,092
N. Vancouver District	586,993	1,715	1,332	47	332	563	0	3,990
Lions Bay	636,071	1,056	1,202	59	360	370	510	3,557
West Vancouver	978,565	2,799	1,849	91	554	0	805	6,098
Average	\$ 445,086	\$ 1,379	\$ 1,095	\$ 56	\$ 263	\$ 95	\$ 449	\$ 3,337

2001 CENSUS – POPULATION & DWELLING COUNTS

2001 period were highest in Anmore (39.9%), Surrey and Port Moody (14.2%), Electoral Area 'A' (13.2%) and Maple Ridge (12.5%).

Table 1. 1991, 1996 and 2001 Census Population By GVRD Municipalities

Municipality	Population			Growth 1991-1996			Growth 1996-2001		
	1991	1996	2001	Absolute Growth	Percent Growth	Percent CMA	Absolute Growth	Percent Growth	Percent CMA
Anmore	741	961	1,344	220	29.7%	0.1%	383	39.9%	0.2%
Belcarra	588	665	682	77	13.1%	0.0%	17	2.6%	0.0%
Bowen Island	2,077	2,738	2,957	661	31.8%	0.3%	219	8.0%	0.1%
Burnaby	158,858	179,209	193,954	20,351	12.8%	8.9%	14,745	8.2%	9.5%
Coquitlam	84,021	101,820	112,890	17,799	21.2%	7.8%	11,070	10.9%	7.1%
Delta	88,978	95,411	96,950	6,433	7.2%	2.8%	1,539	1.6%	1.0%
Electoral Area 'A'	4,870	7,096	8,034	2,226	45.7%	1.0%	938	13.2%	0.6%
Langley City	19,765	22,523	23,643	2,758	14.0%	1.2%	1,120	5.0%	0.7%
Langley Township	66,040	80,179	86,896	14,139	21.4%	6.2%	6,717	8.4%	4.3%
Lions Bay	1,328	1,412	1,379	84	6.3%	0.0%	(33)	-2.3%	0.0%
Maple Ridge	48,422	56,173	63,169	7,751	16.0%	3.4%	6,996	12.5%	4.5%
New Westminster	43,585	49,350	54,656	5,765	13.2%	2.5%	5,306	10.8%	3.4%
North Vancouver City	38,436	41,475	44,303	3,039	7.9%	1.3%	2,828	6.8%	1.8%
North Vancouver District	75,157	80,418	82,310	5,261	7.0%	2.3%	1,892	2.4%	1.2%
Pitt Meadows	11,235	13,436	14,670	2,201	19.6%	1.0%	1,234	9.2%	0.8%
Port Coquitlam	36,773	46,682	51,257	9,909	26.9%	4.3%	4,575	9.8%	2.9%
Port Moody	17,756	20,847	23,816	3,091	17.4%	1.3%	2,969	14.2%	1.9%
Richmond	126,624	148,867	164,345	22,243	17.6%	9.7%	15,478	10.4%	10.0%
Surrey	245,173	304,477	347,825	59,304	24.2%	25.9%	43,348	14.2%	27.9%
Vancouver	471,844	514,008	545,671	42,164	8.9%	18.4%	31,663	6.2%	20.4%
West Vancouver	38,783	40,882	41,421	2,099	5.4%	0.9%	539	1.3%	0.3%
White Rock	16,314	17,210	18,250	896	5.5%	0.4%	1,040	6.0%	0.7%
Indian Reserves	5,222	5,826	6,543	604	11.6%	0.3%	717	12.3%	0.5%
Vancouver CMA	1,602,590	1,831,665	1,986,965	229,075	14.3%	100.0%	155,300	8.5%	100.0%
FVRD	186,163	222,397	237,550	36,234	19.5%	n/a	15,153	6.8%	n/a
Lower Mainland	1,788,753	2,054,062	2,224,515	265,309	14.8%	n/a	170,453	8.3%	n/a

2001 CENSUS – POPULATION BY AGE

GVRD SUBURBS AGING FASTER THAN CORE

Table 1. 2001 Median Age and Population by Age Groups for GVRD Municipalities

Municipality	Age	Age	Growth 1996-2001	Total Population	Under 20 Years		20 to 64 Years		65 Years and Over	
	1996	2001			Absolute	Percent	Absolute	Percent	Absolute	Percent
Anmore	n/a	n/a	n/a	1,344	445	33.1%	805	59.9%	65	4.8%
Belcarra	n/a	n/a	n/a	682	170	24.9%	475	69.6%	45	6.6%
Bow en Island	n/a	n/a	n/a	2,957	860	29.1%	1,800	60.9%	300	10.1%
Burnaby	35.9	37.5	1.6	193,954	43,100	22.2%	124,910	64.4%	25,950	13.4%
Coquitlam	34.6	37.0	2.4	112,890	30,185	26.7%	71,670	63.5%	11,025	9.8%
Delta	35.8	38.3	2.5	96,950	27,375	28.2%	58,805	60.7%	10,760	11.1%
Electoral Area 'A'	n/a	32.7	n/a	8,034	1,765	22.0%	5,400	67.2%	845	10.5%
Langley City	34.5	36.5	2.0	23,643	5,950	25.2%	14,125	59.7%	3,560	15.1%
Langley Tow nship	34.8	37.3	2.5	86,896	25,815	29.7%	51,510	59.3%	9,565	11.0%
Lions Bay	n/a	n/a	n/a	1,379	315	22.8%	920	66.7%	140	10.2%
Maple Ridge	34.3	36.7	2.4	63,169	18,715	29.6%	37,715	59.7%	6,755	10.7%
New Westminster	36.9	38.8	1.9	54,656	10,115	18.5%	36,790	67.3%	7,745	14.2%
North Vancouver City	36.1	38.2	2.1	44,303	8,645	19.5%	29,925	67.5%	5,730	12.9%
North Vancouver District	37.5	39.6	2.1	82,310	22,360	27.2%	50,055	60.8%	9,890	12.0%
Pitt Meadows	33.9	36.3	2.4	14,670	4,285	29.2%	8,895	60.6%	1,485	10.1%
Port Coquitlam	32.8	35.1	2.3	51,257	15,185	29.6%	32,285	63.0%	3,800	7.4%
Port Moody	33.9	36.2	2.3	23,816	6,780	28.5%	15,465	64.9%	1,600	6.7%
Richmond	36.2	38.5	2.3	164,345	40,295	24.5%	104,710	63.7%	19,330	11.8%
Surrey	33.5	35.6	2.1	347,825	99,845	28.7%	210,290	60.5%	37,695	10.8%
Vancouver	35.8	37.2	1.4	545,671	101,255	18.6%	374,080	68.6%	70,320	12.9%
West Vancouver	45.4	47.0	1.6	41,421	9,230	22.3%	23,080	55.7%	9,115	22.0%
White Rock	48.8	50.9	2.1	18,250	2,460	13.5%	10,200	55.9%	5,585	30.6%
Vancouver CMA	35.5	37.4	1.9	1,986,965	476,570	24.0%	1,267,910	63.8%	242,495	12.2%
BC	35.9	38.4	2.5	3,907,738	976,345	25.0%	2,398,310	61.4%	533,090	13.6%



2007 – 2010 Budgets



Future Budgets & Tax Changes

- **Predicting future tax changes is very difficult for a number of reasons:**
 - **There are many variables involved, some of which are offloading of services by the Provincial Government.**
 - **Many of the projections are based on projections made by other governing bodies.**
 - **Small changes can make BIG differences in the final tax rates.**
 - **Councils set budgets and tax rates yearly.**



2007–2010 Budgets: Assumptions

Most significant assumptions used:

- **Continuance of Provincial Grant.**
- **Continuance of MRN Funding.**
- **Complete fire protection system within three years (in 2008).**
- **Complete upgrade program for Bedwell Bay Road.**
- **Rebuild Financial Reserves.**



Projected Tax Changes Based On Average Assessed Home (\$680,000)

Projected Annual Property Tax Changes:
(Assumption is 2.5% Annual Inflation)

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2008</u>	<u>2010</u>
\$1,333	\$1,366	\$1,400	\$1,435	\$1,471
(\$109)	\$33	\$34	\$35	\$36



QUESTIONS?

Additional Information:

BC Assessment – www.bcassessment.ca 604-294-6441

Village Hall – Administrator – lfloyd@belcarra.ca 604-937-4100



End of Presentation



questions

Questions

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QUESTIONS

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