



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall
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Date	Ver.	Action By	Action	Result
4/10/2017	1	Special Meeting of Council	approved	Pass

REQUEST FOR DECISION

DATE: April 5, 2017 Report No. FIN-17-006

TO: Laurie Hurst, Chief Administrative Officer

FROM: Ian Irvine, Director of Financial Services

SUBJECT:
2017 Financial Plan and Tax Rates Bylaws

RECOMMENDATION:

That *Financial Plan Bylaw, 2017, No. 2890* and *Tax Rates Bylaw, 2017, No. 2891* be given 1st, 2nd and 3rd reading.

RELEVANT POLICY:

As required by the Community Charter, the Financial Plan and Tax Rates must be adopted annually, by bylaw, prior to May 15th each year.

STRATEGIC RELEVANCE:

The Financial Plan and Tax Rates Bylaws establish the service levels and generate the revenue required by the Township to provide these services.

BACKGROUND:

The attached summary Financial Plan, Tax Rates, and the Revenue, Tax, Budget and Financial Sustainability Policies and Objectives documents were produced based upon Council discussions.

These included meetings held on March 20 and 21, 2017 when Council approved in principle the proposed changes to the Policies and Objectives as well as the supplementary operating and capital requests presented for consideration.

At the Council meeting held on April 3, 2017, a number of potential tax rate scenarios were presented for Council's consideration. These scenarios outlined the anticipated amount of tax revenue to be collected as well as the approximate amount of surplus that would be generated after balancing the budget. During this meeting, Council approved, in principle, a scenario which would result in a 0.50% increase to the required tax revenue from all classes.

ISSUES:

1. Rationale for Selected Option

The Financial Plan and Tax Rates have already been approved in principle by Council during meetings held during March and April 2017. Additionally, there is a requirement that both bylaws be adopted by May 15 each year.

2. Organizational Implications

This decision will allow staff to update the financial systems with the 2017 Financial Plan information and begin preparations for the issuance of the 2017 property tax notices.

3. Financial Implications

Adoption of the Financial Plan will allow staff to finalize the 2017 financial information and will provide certainty to all departments regarding the funds available for operations, projects and services.

4. Sustainability & Environmental Implications

There are no sustainability or environmental implications of this decision.

5. Communication & Engagement

Once adopted, the 2017-2021 Financial Plan and related documents would be available for viewing on the Township's website. As well, a media release will be issued and posted on the website outlining the tax increase and other relevant details.

Additionally, a tax information insert will be created and included with each property tax notice. This insert will include tax rate information, how municipal tax revenue is allocated and the proportion of municipal tax revenue in relation to the amounts collected on behalf of other agencies.

ALTERNATIVES:

1. That *Financial Plan Bylaw, 2017, No. 2890* and *Tax Rates Bylaw, 2017, No. 2891* be given 1st, 2nd and 3rd reading.

2. That staff be directed to develop Financial Plan and Tax Rate Bylaws based on an alternate scenario as decided by Council.