



# REPORT

To: Rural Budgets Administration Committee

Report Number: FN-RBAC-027

From: Teri Vetter, Chief Financial Officer

Date: October 5, 2020

Subject: Gas Tax Allocation Analysis

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## RECOMMENDATION:

That the Rural Budgets Administration Committee receive the report titled "Gas Tax Allocation Analysis – FN-RBAC-027", which examines options on splitting Gas Tax, for discussion.

## BACKGROUND/RATIONALE:

On September 17, 2020, the Rural Budgets Administration Committee passed the following resolution:

MOVED, SECONDED, and CARRIED

That the Rural Budgets Administration Committee authorize a report to be prepared examining options on splitting Gas Tax between the four Electoral Area Directors beginning in the 2021 fiscal year, and further, that the report be brought back to a future Rural Budgets Administration Committee meeting.

## ALTERNATIVE OPTIONS:

1. That the Rural Budgets Committee split Gas Tax equally four ways as it sits right now
2. That the Rural Budgets Committee split gas tax four ways, based on electoral area usage since 2018.
3. That the Rural Budgets Administration Committee provide further direction.

## STRATEGIC PLAN RELEVANCE:

☒ Not Applicable to Strategic Plan.

## FINANCIAL CONSIDERATION(S):

This analysis has gone back to the beginning of the term (2018) and has accounted for the monies received from UBCM, the interest earned, and the amounts spent by each Electoral Area Director. Additionally, the analysis considers the amounts committed to specific projects by each Electoral Area Director over the years. Four scenarios on splitting Gas Tax among the Electoral Area Directors, are presented to you for review and discussion.

- Split evenly 4 ways
- Based on assessment (Land & Improvements and Improvements)
- Based on population from 2017 Statistics Canada data
- Based on 50% assessment and 50% population

A detailed description of monies spent and committed amounts since 2018, can be seen in the attachments. A summary of the scenarios are listed below:

<i>Note that this summary includes all money given since 2018 and all committed values.</i>						
	Even Split	Assessment (L&I)	Assessment (I Only)	Population	50-50 (L&I)	50-50 (I Only)
<b>Area B</b>	\$1,229,960.80	\$2,621,317.90	\$2,585,862.46	\$1,406,819.99	\$2,014,068.70	\$1,996,340.98
<b>Area C</b>	\$1,709,963.64	\$701,242.95	\$558,217.79	\$2,184,309.07	\$1,442,775.64	\$1,371,263.07
<b>Area D</b>	\$1,662,737.70	\$1,717,419.19	\$1,798,892.25	\$1,814,201.73	\$1,765,810.80	\$1,806,547.33
<b>Area E</b>	\$1,652,437.20	\$1,215,119.30	\$1,312,126.84	\$849,768.55	\$1,032,443.60	\$1,080,947.37

**COMMUNICATIONS CONSIDERATION(S):**

None.

**OTHER CONSIDERATION(S):**

None.

**Attachments:**

1. Allocation Analysis – Even Split
2. Allocation Analysis – Assessment
3. Allocation Analysis – Population
4. Allocation Analysis – Assessment Population Split