

**CITY OF LANGFORD
BYLAW NO. 1565**

A BYLAW TO ADOPT A FINANCIAL PLAN FOR 2015 – 2019

WHEREAS under the *Community Charter* the municipality must have a financial plan adopted by bylaw before the annual property tax bylaw is adopted;

AND WHEREAS through a public process the financial plan has been presented and the public has had an opportunity to comment;

AND WHEREAS Council deems this to be a process of public consultation as required by the *Community Charter*,

NOW THEREFORE the Council of the City of Langford, in open meeting assembled, enacts as follows:

1. Schedule "A" attached hereto and forming part of this bylaw comprises the City of Langford Consolidated Five Year Financial Plan for 2015 – 2019
2. Schedule "B" attached hereto and forming part of this bylaw comprises the City of Langford Revenue and Property Tax Policy Disclosure.
3. This bylaw may be cited for all purposes as "City of Langford 2015-2019 Financial Plan Bylaw No. 1565, 2015".

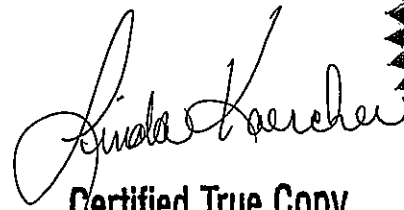
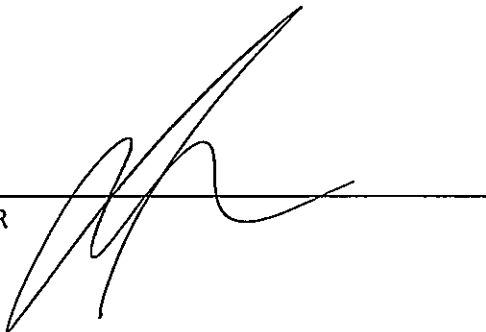
READ A FIRST TIME this 20th day of April, 2015.

READ A SECOND TIME this 20th day of April, 2015.

READ A THIRD TIME this 20th day of April, 2015.

ADOPTED this 4th day of May, 2015.

MAYOR



Certified True Copy
Linda Kaercher
Deputy Clerk



(Certified Correct)
CORPORATE OFFICER



Schedule "A"					
Bylaw No. 1565					
Consolidated Financial Plan 2015-2019					
	2015	2016	2017	2018	2019
REVENUES:					
External Revenues					
Development Fees					
Development Cost Charges	\$ 5,901,200	\$ 1,477,500	\$ 1,813,000	\$ 2,792,400	\$ 2,889,800
Developer Contributions	-	-	-	-	-
Other Capital Contributions	2,500,000	-	-	-	-
Development Fees Total	8,401,200	1,477,500	1,813,000	2,792,400	2,889,800
Municipal Property Taxes	23,967,000	25,772,900	27,547,100	29,580,100	31,179,000
Parcel Taxes	1,629,400	1,705,300	1,761,300	1,726,300	1,790,000
Fees and Charges	5,591,600	5,709,600	5,987,600	6,371,100	6,536,700
Interest	433,000	441,000	454,000	463,000	471,000
Grants From Other Governments	13,246,100	8,602,800	6,323,300	1,515,100	1,577,700
Other Sources	1,387,800	2,222,400	2,077,000	2,281,600	2,351,200
Total External Revenues	54,656,100	45,931,500	45,963,300	44,729,600	46,795,400
EXPENDITURES:					
External Expenditures					
Operating Expenditures	29,472,000	30,813,900	32,036,000	33,148,700	34,387,300
Interest Payments on Debt	1,000,100	1,083,100	1,088,800	1,600,300	1,650,800
Capital Expenditures	37,649,600	18,755,000	12,583,200	6,005,200	7,253,200
Total External Expenditures	68,121,700	50,652,000	45,708,000	40,754,200	43,291,300
CHANGE IN NET FINANCIAL POSITION	(13,465,600)	(4,720,500)	255,300	3,975,400	3,504,100
OTHER REVENUES:					
Borrowing Proceeds	8,721,700	5,075,800	2,904,800	657,800	918,300
OTHER EXPENDITURES:					
Principal Payments on Debt	2,477,100	2,627,300	2,677,800	2,827,600	2,337,700
TOTAL REVENUES LESS EXPENDITURES	-\$ 7,221,000	-\$ 2,272,000	\$ 482,300	\$ 1,805,600	\$ 2,084,700
INTERNAL TRANSFERS:					
Transfer from Reserve Funds					
Affordable Housing	213,600	14,000	14,400	14,800	15,200
Capital Works & Equipment	\$ 2,561,500	\$ 2,600,000	\$ 902,500	\$ 1,675,500	\$ 1,800,000
Equipment Replacement	882,300	342,000	203,300	40,000	60,000
Parks & Open Space	1,200,000	700,000	-	-	-
Park Improvement	50,000	-	175,000	-	500,000
Sidewalk Capital	80,000	150,000	150,000	150,000	150,000
Police Building Capital	5,600	5,600	5,600	135,000	-
General Amenity	1,753,600	733,300	1,012,900	463,300	813,700
Transfer from Reserve Fund Total	6,746,600	4,544,900	2,463,700	2,478,600	3,338,900
Less: Transfer to Reserve and Capital Funds					
Reserves:					
Police Building Capital	13,400	18,100	20,000	16,000	12,000
Capital Works & Equipment	2,316,900	1,330,600	1,365,600	2,095,800	2,205,000
Equipment Replacement	500,000	600,000	750,000	750,000	750,000
Infrastructure Sustainability	-	-	-	792,000	1,735,000
General Amenity	220,000	-	-	-	-
General Capital Fund	125,000	125,000	125,000	125,000	125,000
	3,175,300	2,073,700	2,260,600	3,778,800	4,827,000
Transfers from(to) Surplus	1,920,400	400,000	200,000	200,000	200,000
Transfers from(to) Reserve Accounts	1,729,300	(599,200)	(885,400)	(705,400)	(796,600)
TOTAL INTERNAL TRANSFERS	\$ 7,221,000	\$ 2,272,000	-\$ 482,300	-\$ 1,805,600	-\$ 2,084,700

Schedule "B"										
Bylaw No. 1565										
Revenue and Property Tax Policy Disclosure										
REVENUE DISCLOSURE										
Revenue Proportions										
	2015		2016		2017		2018		2019	
	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%
Property Taxes	23,967	38%	25,773	51%	27,547	56%	29,580	64%	31,179	65%
Parcel Charges	1,629	3%	1,705	3%	1,761	4%	1,726	4%	1,790	4%
Fees	5,592	9%	5,710	11%	5,988	12%	6,371	14%	6,537	14%
Other Sources	23,468	36%	12,745	25%	10,667	22%	7,051	17%	7,290	15%
Proceeds From Borrowing	8,722	14%	5,076	10%	2,905	6%	658	1%	918	2%
	63,378	100%	51,009	100%	48,868	100%	45,386	100%	47,714	100%

Other Sources includes grants from other governments and agencies, development contributions to capital, interest and penalties and miscellaneous sales of services.

Objectives and Policies

Property tax revenue is the City's primary revenue source, and one which is heavily reliant on the residential class. Diversification of the tax base and generation of non-tax revenue are ongoing objectives. Except in extraordinary circumstances, tax increases are kept to cost of living or less.

Parcel Charges are comprised of local area service debt servicing costs for roads.

Fees & Charges are a tool used for cost recovery. Various fees are reviewed every 1-5 years to ensure that they are adequate to recover costs of providing specific services.

Other Sources will vary greatly from year to year as it includes such items as:

- Development cost charges used to fund DCC capital projects,
- Contributions from others for capital,
- Interest earned on funds invested in accordance with the City's investment policy,
- Grants, which are sought from other governments and government agencies, often to be leveraged with City funds,
- Casino revenue sharing income.

Proceeds from Borrowing – Debt is used where it makes sense such as for urgent projects or to leverage grants where internal funding is not available. Caution is necessary when considering debt as it commits future cash flows to debt payments, restricting the ability to use those funds to provide other services. The source of the debt payments needs to be considered as does the justification for advancing the project

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**Schedule "B" Continued
Revenue and Property Tax Disclosure**

PROPERTY TAX DISCLOSURE

Property Tax Revenue Distribution

The table below presents tax revenue and tax rates based on the 2015 Revised Assessment Roll:

Property Tax Distribution							
Property Class	Taxation Revenue		Net Taxable Assessed Value		Tax Rate	Multiple	
	(\$'000s)	%	(\$'000s)	%	(\$/1000)	(Rate/Res. Rate)	
1. Residential	14,249	60.7%	4,900,688	82.32%	2.9076	1.00	
2. Utility	140	0.6%	6,504	0.11%	21.5162	7.40	
3. Supportive Housing	-	0.0%	-	0.00%	2.9076	1.00	
4. Heavy Industry	-	0.0%	-	0.00%	9.3334	3.21	
5. Light Industry	248	1.1%	26,591	0.45%	9.3334	3.21	
6. Business/Other	8,800	37.4%	1,008,844	16.94%	8.7228	3.00	
7. Managed Forest	-	0.0%	96	0.00%	2.9076	1.00	
8. Rec./Non-Profit	38	0.2%	10,980	0.18%	3.5037	1.21	
9. Farm	-	0.0%	133	0.00%	2.9076	1.00	
	23,475		5,953,836				

Objectives and Policies

Council sets tax rates to maintain tax stability between property classes. Property class multiples are reviewed periodically to ensure that the burden of tax among property classes is not distorted by differing market value changes between classes.

Permissive Tax Exemptions

Policy with respect to permissive tax exemptions under section 224 of the Community Charter is that exemption will be considered where the organization has demonstrated proof of community access to citizens of Langford at a nominal charge and community benefit in the previous year.

Council supports the establishment of assisted living seniors' housing in Langford and has granted 10-year exemptions to two such developments.

Council has established a revitalization tax exemption program under section 226 of the *Community Charter* which grants a five-year or 10-year exemption for eligible buildings. An exemption certificate was issued for one property in 2011 for which the exemption expires in 2021