

DISTRICT OF LAKE COUNTRY

BYLAW 868

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE YEARS 2013-2017

WHEREAS in accordance with the provisions of Section 165 of the Community Charter, Council must adopt, by bylaw, a financial plan for the Municipality before the annual property tax bylaw is adopted;

AND WHEREAS the financial plan must include objectives and policies regarding the sources of municipal revenue, the distribution of property taxes among property classes, and the use of permissive tax exemptions;

NOW THEREFORE, the Council of the District of Lake Country in open meeting assembled enacts as follows:

1. Schedule "A" as attached hereto and made part of this bylaw is hereby declared to be the 2013 Financial Plan covering the years 2013 to 2017.
2. Schedule "B" as attached hereto and made part of this bylaw is hereby declared to be that portion of the 2013 Financial Plan related to the Development Cost Charge Program for the period 2018 to 2024.
3. The objectives and policies pertaining to municipal revenue and incorporated into the Financial Plan include:
 - Increase taxation slightly over inflation to fund an increase in service levels.
 - Build up reserves to minimize the need to borrow for future capital projects.
 - Provide sufficient operating funds to ensure existing infrastructure is properly maintained to maximize its lifespan.
 - Pursue infrastructure grants from senior levels of government to lessen the impact on local property taxation and user fees.
 - Review user fees to match operational costs, where appropriate.
 - Examine business opportunities to raise revenue for the District.
 - Implement universal water metering to ensure that equitable and appropriate user fees are being charged for water consumption and to provide more effective water conservation measures.

Over the five-year plan, the proportion of total revenue from the various revenue sources as detailed in the Financial Plan is summarized in the following table.

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Amount
Property Taxes	33%	\$ 50,601,892
Parcel Taxes	3%	5,220,954
Fees and Charges	25%	38,948,138
Other Revenue	19%	29,975,879
Proceeds from Borrowing	5%	8,201,325
Transfer from DCC Reserves	8%	11,878,824
Transfer from Reserves	5%	8,001,596
Transfer from Surplus	2%	2,336,063
Total Revenue	100%	\$ 155,164,671

4. The objectives and policies pertaining to the distribution of property taxes among the property classes and incorporated into the Financial Plan include:
- Regular reviews and comparisons of the District's tax burden relative to other BC municipalities and its neighbours to ensure a competitive tax structure and rates.
 - Adjustments to taxation levels for specific property classes, where appropriate, based upon the reviews.
 - Application of the general municipal tax increase to each property class individually so that the average taxpayer within each property class is impacted equally, relative to other property classes.
 - Decrease (or increase) tax rates to offset the market increase (or decrease) in average taxable assessment within each property class compared to the previous year prior to applying the general municipal tax increase.
 - Use non-market growth in the assessment roll due to new construction and development to assist in balancing the overall Financial Plan.

The distribution of the 2013 municipal property taxes among the property classes is summarized in following table.

Table 2: Distribution of 2013 Property Taxes

Property Class	% of Total Property Taxation	Amount
01 Residential	86.8%	\$ 7,863,214
02 Utilities	1.9%	168,987
05 Light Industry	1.9%	175,000
06 Business & Other	8.5%	772,578
08 Recreation/Non-Profit	0.8%	74,780
09 Farmland	0.1%	6,785
Total Property Taxation	100.0%	\$ 9,061,344

5. The Annual Report details the extent of permissive tax exemptions provided by the District of Lake Country. The administration and approval of permissive tax exemptions is set by Council policy. Some of the eligibility criteria within the policy include the following:
- The paramount consideration for a permissive tax exemption is the benefit to the community and the residents of Lake Country.
 - Permissive exemptions will also be granted where an organization provides a service that the District would provide given sufficient financial resources.
 - Permissive tax exemptions are based on the principal use of the property.
 - The goals, policies or principles of the organization must not be inconsistent or conflict with those of the District of Lake Country.
 - Membership in the organization and/or use of the property must be reasonably open to all Lake Country residents.
 - The organization must be a registered non-profit society. The support of the municipality will not be used for commercial or private gain.

In addition to permissive tax exemptions, the District of Lake Country recently adopted the Main Street Tax Revitalization Bylaw, which will provide tax exemptions to encourage the development along Main Street in a form that matches the District’s vision for the area. The tax incentives will last up to 10 years depending on the height and use of the buildings to be developed. Despite the short term deferral of new tax revenue, overall tax revenue generated within the area may be greater in the long term as a result of the incentive to build multi-storey buildings. The success of the new bylaw will be monitored over the coming years.

6. This bylaw may be cited as the “2013 Financial Plan Bylaw 868, 2013”.

READ A FIRST TIME this 5th day of May, 2013.
 READ A SECOND TIME this 5th day of May, 2013.
 READ A THIRD TIME this 5th day of May, 2013.

RECONSIDERED AND ADOPTED this 14th day of May, 2013.

Original signed by James Baker
 Mayor

Original signed by Reyna Seabrook
 Corporate Officer

I hereby certify the foregoing to be a true and correct copy of the Bylaw cited as the “2013 Financial Plan Bylaw 868, 2013”, as adopted by the Municipal Council on the 14th day of May, 2013.

 Dated at Lake Country, BC

 Corporate Officer

**Schedule 'A' attached to
2013 Financial Plan
Bylaw 868, 2013**

	2013	2014	2015	2016	2017
Revenue					
Property Taxes	9,122,795	9,618,744	10,102,893	10,611,539	11,145,922
Parcel Taxes	957,909	1,015,885	1,030,882	1,093,404	1,122,875
Fees and Charges	7,067,106	7,408,010	7,808,387	8,198,197	8,466,438
Other Revenue	8,910,329	3,684,575	5,169,415	8,070,196	4,141,364
Proceeds from Borrowing	1,515,325	-	400,000	6,286,000	-
Transfer from DCC Reserves	719,344	441,325	1,100,528	2,332,940	7,284,687
Transfer from Reserves	2,038,596	407,000	1,662,000	2,000,000	1,894,000
Transfer from Surplus	948,670	412,120	330,289	331,199	313,785
Total Revenue	31,280,074	22,987,660	27,604,394	38,923,474	34,369,070
Expenditures					
General Municipal Operations	12,141,532	12,154,341	12,503,663	12,856,508	13,312,764
Water Operations	1,964,800	1,876,265	1,924,237	2,009,465	2,113,509
Sewer Operations	1,240,700	1,170,354	1,205,385	1,272,548	1,335,295
Interest Expense	780,162	844,798	843,518	859,047	841,401
Principal Repayment	704,411	781,673	782,907	797,858	799,183
Capital Expenditures	12,403,148	4,155,000	7,903,000	18,296,000	13,174,000
Transfer to Reserves	1,533,421	1,637,339	2,064,740	2,440,481	2,389,660
Transfer to Surplus	511,900	367,890	376,944	391,566	403,258
Amortization Expense	2,685,000	2,736,670	2,789,374	2,843,133	2,897,968
Deduct Non-cash Items	(2,685,000)	(2,736,670)	(2,789,374)	(2,843,133)	(2,897,968)
Total Expenditures	31,280,074	22,987,660	27,604,394	38,923,474	34,369,070

**Schedule 'B' attached to
2013 Financial Plan
Bylaw 868, 2013**

	2018 to 2024
Revenue	
Other Revenue	6,213,200
Transfer from Reserves	5,212,692
Transfer from DCC Reserves	27,251,647
Transfer from Surplus	<u>680,669</u>
Total Revenue	<u>39,358,208</u>
Expenditures	
Principal & Interest on Debt	1,941,208
Capital Expenditures	<u>37,417,000</u>
Total Expenditures	<u>39,358,208</u>