

DISTRICT OF LAKE COUNTRY

BYLAW 923

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE YEARS 2015-2019

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 2015 Financial Plan covering the years 2015 to 2019.
2. 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.

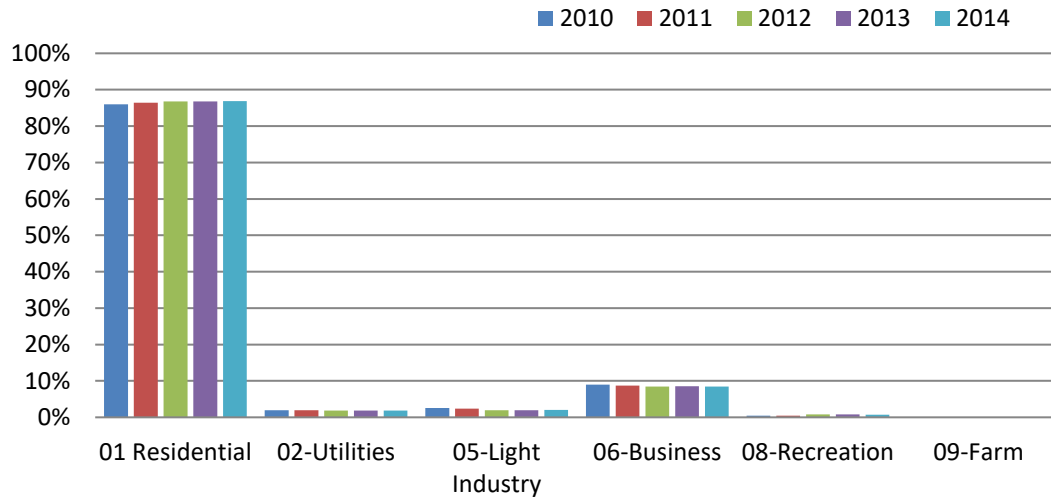
Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Amount
Property Taxes	34.09%	\$10,189,416
Parcel Taxes	3.85%	1,151,723
Fees and Charges	26.41%	7,896,277
Other Revenue	12.40%	3,707,383
Proceeds from Borrowing	9.23%	2,760,000
Transfer from DCC Reserves	1.50%	449,172
Transfer from Reserves	5.59%	1,669,446
Transfer from Surplus	6.93%	2,071,822
Total Revenue	100.00%	\$29,895,239

3. It is Council's goal to ensure that there is a fair and equitable apportionment of taxes to each property class. The objectives and policies pertaining to the distribution of property taxes among the property classes and incorporated into the Financial Plan include:
- Residential properties represent most of the total assessed value of properties in the District. 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 five year trend for the distribution of municipal property taxes among the property classes is summarized in the following table.

Property Tax Revenue by Class 2010 - 2014



4. 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 Main Street Tax Revitalization Bylaw 853, 2013, which provides tax exemptions to encourage the development along Main Street in a form that matches the District's vision for the area. The tax incentives last up to 10 years depending on the height and use of the buildings 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 "2015 Financial Plan Bylaw 923, 2015".

READ A FIRST TIME this 9th day of April, 2015.

READ A SECOND TIME this 9th day of April, 2015.

READ A THIRD TIME this 21st day of April, 2015.

THIRD READING RESCINDED this 27th day of April, 2015.

READ A THIRD TIME AS AMENDED this 27th day of April, 2015.

RECONSIDERED AND ADOPTED this 5th day of May, 2015.

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 "2015 Financial Plan Bylaw 923, 2015", as adopted by the Municipal Council on the 5th day of May, 2015.

Dated at Lake Country, BC

Corporate Officer

**Schedule 'A' attached to
2015 Financial Plan
Bylaw 923, 2015**

	2015	2016	2017	2018	2019
Revenue					
Property Taxes	10,189,416.00	10,702,355.00	11,241,278.00	11,807,498.00	12,402,401.00
Parcel Taxes	1,151,723.00	1,176,531.00	1,249,961.00	1,390,941.00	1,423,570.00
Fees and Charges	7,896,277.00	8,406,713.00	8,712,879.00	11,001,068.00	11,309,854.00
Other Revenue	3,707,383.00	4,378,534.00	7,814,937.00	10,312,723.00	4,853,158.00
Transfer from DCC Reserves	449,172.00	2,489,122.00	1,310,412.00	2,315,457.00	3,604,892.00
Total Revenue	23,393,971.00	27,153,255.00	30,329,467.00	36,827,687.00	33,593,875.00
Expenses					
General Municipal Operations	14,268,686.00	14,247,214.00	14,605,607.00	15,161,070.00	15,591,818.00
Water Operations	2,714,313.00	2,685,061.00	2,787,497.00	2,872,648.00	2,979,755.00
Sewer Operations	1,684,365.00	1,653,345.00	1,704,653.00	1,758,110.00	1,813,846.00
Interest Expense	880,317.00	819,807.00	945,539.00	904,803.00	891,109.00
Total Expenses	19,547,681.00	19,405,427.00	20,043,296.00	20,696,631.00	21,276,528.00
Annual Surplus / (Deficit)	3,846,290.00	7,747,828.00	10,286,171.00	16,131,056.00	12,317,347.00
Proceeds from Borrowing	2,760,000.00	-	2,597,400.00	6,166,667.00	-
Transfer from Reserves	1,669,446.00	1,424,600.00	1,827,900.00	2,720,750.00	2,226,900.00
Transfer from Surplus	2,071,822.00	451,229.00	657,273.00	847,440.00	870,806.00
Principal Repayment	(765,006.00)	(765,780.00)	(792,463.00)	(740,415.00)	(721,079.00)
Capital Expenditures	(9,504,217.00)	(8,160,000.00)	(14,169,000.00)	(21,363,000.00)	(10,825,000.00)
Transfer to Reserves	(1,794,123.00)	(1,936,274.00)	(1,703,705.00)	(5,124,467.00)	(5,898,201.00)
Transfer to Surplus	(773,055.00)	(1,322,963.00)	(1,336,901.00)	(1,369,440.00)	(791,424.00)
Actuarial Adjustment on Long Term Debt	(307,907)	(347,260)	(391,639)	(414,554)	(451,151)
Amortization of tangible capital assets	2,796,750	2,908,620	3,024,964	3,145,963	3,271,802
Net debt and reserve transfers	(3,846,290.00)	(7,747,828.00)	(10,286,171.00)	(16,131,056.00)	(12,317,347.00)
Financial Plan Balance	-	-	-	-	-