

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LANGLEY 2014 – 2018 FIVE YEAR FINANCIAL PLAN BYLAW 2014 NO. 5050**

**EXPLANATORY NOTE**

The 2014 - 2018 Five Year Financial Plan Bylaw No. 5050 authorizes the expenditure of funds for the Municipality. The 2014 - 2018 Five Year Financial Plan Bylaw is prepared pursuant to Section 165 of the *Community Charter* and is required to be adopted by Council prior to the Tax Rates Bylaw and May 14, 2014.

An expenditure that is not provided for in the 2014 - 2018 Five Year Financial Plan is not lawful.

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LANGLEY 2014 - 2018 FIVE YEAR FINANCIAL PLAN BYLAW 2014 NO. 5050**

A bylaw to establish the Five Year Financial Plan from 2014 to 2018.

WHEREAS Section 165 of the "*Community Charter*" requires that the Corporation of the Township of Langley adopt a Five Year Financial Plan prior to approval of the Tax Rates Bylaw by May 14, 2014:

NOW THEREFORE, the Local Government Council of The Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

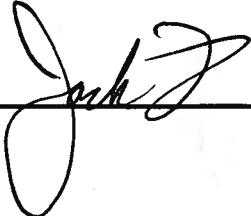

1. This bylaw may be cited for all purposes as the "Langley 2014 - 2018 Five Year Financial Plan Bylaw 2014 No. 5050."
2. Schedule "A", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2014 - 2018 Five Year Financial Plan of The Corporation of the Township of Langley.
3. Schedule "B", being the Financial Plan, attached hereto and forming part of this bylaw is hereby adopted as the 2014 - 2018 Five Year Financial Plan of The Corporation of the Township of Langley.

READ A FIRST TIME the 20 day of January , 2014

READ A SECOND TIME the 20 day of January , 2014

READ A THIRD TIME the 20 day of January , 2014

RECONSIDERED AND ADOPTED the 03 day of February , 2014

 \_\_\_\_\_ Mayor  \_\_\_\_\_ Deputy Township Clerk

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2014 - 2018 FIVE YEAR FINANCIAL PLAN BYLAW 2014 NO. 5050  
SCHEDULE "A" – REVENUE PLAN OBJECTIVES AND POLICIES**

In accordance with the *Community Charter* disclosure requirements the Township of Langley discloses the following information.

1. The proportions of revenue proposed to come from the various funding sources;
2. The distribution of property taxes among property classes; and
3. The use of permissive tax exemptions.

**1. Proportion of total revenue from various funding sources**

<b>Revenue Source</b>	<b>Operating Budget Funding Sources</b>	<b>Capital Budget Funding Sources</b>
Property taxes	57%	2%
Sale of Service – Utilities	18%	1%
Sale of Service - Other	8%	0%
Other sources	12%	34%
Transfer from own funds	5%	42%
Proceeds from borrowing	0%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The proportion of total revenue raised from each funding source in 2014 is presented in the table above. Property taxes form the greatest proportion of the operating revenue for the Township. Property taxes provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. These include services such as fire protection, policing services, transportation and so forth.

User fees and charges is the second largest portion of general operating revenue. Many Township services, such as water, sewer, and garbage collection are charged on a user-pay basis which ensures they are paid for by the taxpayers receiving these services.

## **2. Distribution of 2013 property taxes among the various property classes**

Property Class	Property Class Description	Property tax Revenue %
1	Residential	61.00%
2	Utilities	1.11%
4	Major Industry	0.25%
5	Light Industry	10.67%
6	Business	26.06%
8	Recreation	0.26%
9	Farm	0.65%
	Total	100.00%

The distribution of property tax revenue among the various property classes is presented in the table above. The practice of Council has been to set tax rates in order to maintain reasonable tax stability in compliance with the *Community Charter*. This is accomplished by maintaining the proportionate relationship provided above between the property classes. (Property classes are defined and values determined by the British Columbia Assessment).

## **3. Use of Permissive Tax Exemptions**

The Community Charter provides municipalities the ability to grant permissive exemptions under Sections 244, 225 and 226. The Township's permissive exemption policy sets the parameters under which Council considers applications for permissive exemptions from property taxes from organizations which are eligible for such exemptions.

The Township grants permissive exemptions for buildings for public worship; private schools; not-for-profit and charitable organizations and community halls; and heritage properties. Council supports, through permissive exemptions from property taxes, organizations which provide services that fulfill some basic need, improve the life of Township residents and are compatible with or are complementary to the services offered by the Township.

The 2014 Council approved permissive tax exemptions are estimated to be at approximately \$780,000.

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2014 - 2018 FIVE YEAR FINANCIAL PLAN BYLAW 2014 NO. 5050  
SCHEDULE "B" – FINANCIAL PLAN**

	2014 \$	2015 \$	2016 \$	2017 \$	2018 \$
<b>REVENUE</b>					
<b>Operating Plan</b>					
Property Taxes and Levies	104,651,325	109,819,941	115,238,303	120,916,580	126,868,099
Sale of Services-Utilities	33,823,111	35,827,757	37,522,264	39,485,974	41,355,854
Sales of Services-Other	14,121,065	14,195,609	14,284,809	14,374,809	14,427,309
Other Revenue	21,409,103	21,449,653	21,774,232	22,078,821	22,373,622
Transfer from Surplus and Reserves	8,717,413	3,969,317	3,929,530	4,160,939	3,917,496
<b>Operating Plan Sub-total</b>	<b>182,722,017</b>	<b>185,262,277</b>	<b>192,749,138</b>	<b>201,017,123</b>	<b>208,942,380</b>
<b>Capital Plan</b>					
Contribution from Current Year Revenue	5,065,267	4,969,345	5,023,245	5,023,245	5,023,245
Transfer from Prior Year's Surplus	9,145,469	150,000	150,000	150,000	150,000
Grants	353,848	-	-	-	-
Transfer from Development Cost Charge Reserves	42,420,827	16,795,350	16,566,600	19,044,770	19,235,940
Transfer from Capital Surplus and Reserves	58,916,918	54,878,826	16,167,633	19,972,239	21,009,084
Private Funds and Other Sources	11,581,848	7,432,500	8,621,500	8,581,500	6,501,500
Proceeds From Borrowing	34,557,671	-	-	-	-
<b>Capital Plan sub-Total</b>	<b>162,041,848</b>	<b>84,226,021</b>	<b>46,528,978</b>	<b>52,771,754</b>	<b>51,919,769</b>
Proceeds From Developers (Contributed Assets)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>354,763,865</b>	<b>279,488,298</b>	<b>249,278,116</b>	<b>263,788,877</b>	<b>270,862,149</b>
<b>EXPENDITURE</b>					
<b>Operating Plan</b>					
Municipal Services	161,917,396	163,765,077	170,410,803	177,629,362	184,511,099
Debt Service	7,232,340	7,222,184	7,178,284	7,183,284	7,183,284
Contribution to Funds and Reserves	13,572,281	14,275,016	15,160,051	16,204,477	17,247,997
<b>Operating Plan Sub-Total</b>	<b>182,722,017</b>	<b>185,262,277</b>	<b>192,749,138</b>	<b>201,017,123</b>	<b>208,942,380</b>
<b>Capital Plan</b>					
<b>Capital Plan</b>	<b>162,041,848</b>	<b>84,226,021</b>	<b>46,528,978</b>	<b>52,771,754</b>	<b>51,919,769</b>
Contributed Assets From Developers	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>354,763,865</b>	<b>279,488,298</b>	<b>249,278,116</b>	<b>263,788,877</b>	<b>270,862,149</b>