

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LANGLEY 2016 – 2020 FIVE YEAR FINANCIAL PLAN BYLAW 2016 NO. 5186**

**EXPLANATORY NOTE**

The 2016 - 2020 Five Year Financial Plan Bylaw No. 5186 authorizes the expenditure of funds for the Municipality. The 2016 - 2020 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 15, 2016.

An expenditure that is not provided for in the 2016 - 2020 Five Year Financial Plan is not lawful.

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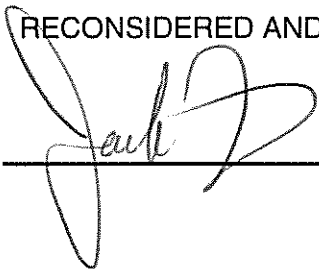
A bylaw to establish the Five Year Financial Plan from 2016 to 2020.

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 15, 2016:

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 2016 - 2020 Five Year Financial Plan Bylaw 2016 No. 5186".
2. Schedule "A", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2016 – 2020 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 2016 - 2020 Five Year Financial Plan of The Corporation of the Township of Langley.

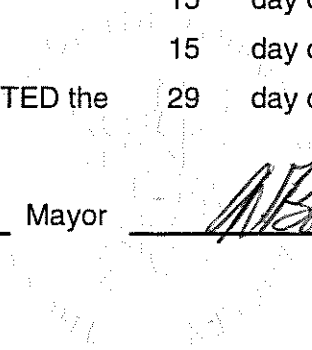
READ A FIRST TIME the	15	day of	February	, 2016
READ A SECOND TIME the	15	day of	February	, 2016
READ A THIRD TIME the	15	day of	February	, 2016
RECONSIDERED AND ADOPTED the	29	day of	February	, 2016



Mayor



Deputy Township Clerk



**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2016 - 2020 FIVE YEAR FINANCIAL PLAN BYLAW 2016 NO. 5186  
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	58%	3%
Sale of Service – Utilities	19%	1%
Sale of Service - Other	4%	0%
Other sources	15%	50%
Transfer from own funds	4%	31%
Proceeds from borrowing	0%	15%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The proportion of total revenue to be raised from each funding source in 2016 is presented in the table above. Property taxes form the greatest proportion of 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 taxpayers receiving these services.

## 2. Distribution of 2015 property taxes among the various property classes

Property Class	Property Class Description	Property tax Revenue %
1	Residential	61.40%
2	Utilities	1.06%
4	Major Industry	0.22%
5	Light Industry	10.29%
6	Business	26.19%
8	Recreation	0.22%
9	Farm	0.62%
	<b>Total</b>	<b>100.00%</b>

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.

Permissive exemptions are granted for buildings used for public worship; private schools; not-for-profit and charitable organizations and community halls; and heritage properties. Council supports, through 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 2016 Council approved permissive tax exemptions are estimated to be at approximately \$957,335 which is approximately equal to 0.89% of a 1.00% property tax revenue increase for 2016.

	Amount
Charitable and Not-For-Profit	\$541,956
Churches and Private Schools	\$349,519
Heritage Properties	\$65,860
<b>Total</b>	<b>\$957,335</b>

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2016 - 2020 FIVE YEAR FINANCIAL PLAN BYLAW 2016 NO. 5186  
SCHEDULE "B" – FINANCIAL PLAN**

	2016 \$	2017 \$	2018 \$	2019 \$	2020 \$
<b>REVENUE</b>					
<b>Operating Plan</b>					
Property Taxes and Levies	121,850,189	126,472,516	131,270,380	136,257,713	141,441,694
Sale of Services-Utilities	38,418,177	39,793,590	41,386,751	43,207,823	45,108,709
Sale of Services-Other	19,424,087	19,821,690	20,024,842	20,227,788	20,416,395
Other Revenue	19,639,840	19,755,302	20,226,869	20,364,015	20,577,624
Transfer from Surplus and Reserves	9,157,182	1,292,874	1,207,021	1,128,846	1,128,846
<b>Operating Plan Sub-total</b>	<b>208,489,475</b>	<b>207,135,972</b>	<b>214,115,863</b>	<b>221,186,185</b>	<b>228,673,268</b>
<b>Capital Plan</b>					
Contribution from Current Year Revenue	6,826,751	7,309,251	7,809,251	8,309,251	8,359,251
Transfer from Prior Year's Surplus	8,973,800	4,044,500	250,000	150,000	150,000
Grants	1,322,074	210,000	-	-	-
Transfer from Development Cost Charge Reserves	55,205,142	26,230,377	19,400,700	18,662,400	15,478,300
Transfer from Capital Surplus and Reserves	54,609,316	49,611,373	24,578,604	16,256,908	16,499,942
Private Funds and Other Sources	45,378,065	42,416,750	42,402,250	41,657,250	41,657,250
Proceeds From Borrowing	30,901,818	17,700,000	6,900,000	7,000,000	-
<b>Capital Plan sub-Total</b>	<b>203,216,966</b>	<b>147,522,251</b>	<b>101,340,805</b>	<b>92,035,809</b>	<b>82,144,743</b>
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>411,706,441</b>	<b>354,658,223</b>	<b>315,456,668</b>	<b>313,221,994</b>	<b>310,818,011</b>
<b>EXPENDITURE</b>					
<b>Operating Plan</b>					
Municipal Services	181,492,894	180,165,997	184,992,301	189,319,249	193,421,520
Debt Service	9,656,075	9,283,775	9,554,275	9,554,275	9,670,249
Contribution to Funds and Reserves	17,340,506	17,686,200	19,569,286	22,312,662	25,581,499
<b>Operating Plan Sub-Total</b>	<b>208,489,475</b>	<b>207,135,972</b>	<b>214,115,863</b>	<b>221,186,185</b>	<b>228,673,268</b>
<b>Capital Plan</b>	<b>203,216,966</b>	<b>147,522,251</b>	<b>101,340,805</b>	<b>92,035,809</b>	<b>82,144,743</b>
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>411,706,441</b>	<b>354,658,223</b>	<b>315,456,668</b>	<b>313,221,994</b>	<b>310,818,011</b>