

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LANGLEY 2012 – 2016 FIVE YEAR FINANCIAL PLAN BYLAW 2012 NO. 4917**

**EXPLANATORY NOTE**

The 2012 - 2016 Five Year Financial Plan Bylaw No. 4917 authorizes the expenditure of funds for the Municipality. The 2012 - 2016 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, 2012.

An expenditure that is not provided for in the 2012 - 2016 Five Year Financial Plan is not lawful.

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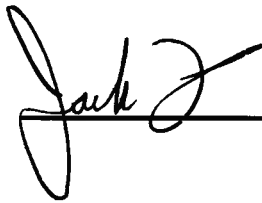
A bylaw to establish the Five Year Financial Plan from 2012 to 2016.

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, 2012:

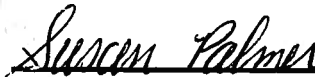
NOW THEREFORE, the Local Government Council of The Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This bylaw may be cited for all purposes as the "Langley 2012 - 2016 Five Year Financial Plan Bylaw 2012 No. 4917."
2. Schedule "A", being the Financial Plan, attached hereto and forming part of this bylaw is hereby adopted as the 2012 - 2016 Five Year Financial Plan of The Corporation of the Township of Langley.
3. Schedule "B", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2012 - 2016 Five Year Financial Plan of The Corporation of the Township of Langley.

READ A FIRST TIME the	16	day of	April	, 2012
READ A SECOND TIME the	16	day of	April	, 2012
READ A THIRD TIME the	16	day of	April	, 2012
RECONSIDERED AND ADOPTED the	23	day of	April	, 2012



Mayor



Deputy Township Clerk

**The Corporation of the Township of Langley  
Langley 2012-2016 Five Year Financial Plan Bylaw 2012 No 4917  
Schedule "A" - Five Year Financial Plan**

	2012	2013	2014	2015	2016
	\$	\$	\$	\$	\$
<b>REVENUE</b>					
<b>Operating Plan</b>					
Property Taxes and Levies	97,407,249	101,950,670	106,718,993	111,740,940	117,011,476
Sale of Services	46,185,135	47,779,937	49,705,450	51,702,438	53,671,283
Other Revenue	16,489,227	16,257,238	16,310,871	16,715,559	16,766,084
Transfer from Surplus and Reserves	17,933,636	2,522,502	2,214,418	2,214,418	2,214,418
<b>Operating Plan Sub-total</b>	<b>178,015,247</b>	<b>168,510,347</b>	<b>174,949,732</b>	<b>182,373,355</b>	<b>189,663,261</b>
<b>Capital Plan</b>					
Contribution from Current Year Revenue	5,139,377	5,020,498	5,024,998	5,002,997	5,002,998
Grants	4,527,779	990,000	940,000	1,785,825	940,000
Transfer from Prior Year's Surplus	4,176,201	600,000	150,000	150,000	150,000
Transfer from Development Cost Charge Reserves	32,904,513	21,517,813	23,977,941	33,862,412	19,485,053
Transfer from Reserves	35,714,239	20,588,300	20,119,400	19,699,000	19,557,200
Private Funds and Other Sources	45,230,304	6,453,800	6,306,889	6,420,562	6,363,800
Proceeds From Borrowing	26,297,116	25,300,300			
<b>Capital Plan sub-Total</b>	<b>153,989,529</b>	<b>80,470,711</b>	<b>56,519,228</b>	<b>66,920,796</b>	<b>51,499,051</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>342,004,776</b>	<b>258,981,058</b>	<b>241,468,960</b>	<b>259,294,151</b>	<b>251,162,312</b>
<b>EXPENDITURE</b>					
<b>Operating Plan</b>					
Municipal Services	154,460,488	151,280,443	157,910,050	164,632,532	171,198,063
Debt Service	4,562,126	7,962,238	7,514,747	7,957,294	8,366,548
Contribution to Funds and Reserves	18,992,633	9,267,666	9,524,935	9,783,529	10,098,650
<b>Operating Plan Sub-Total</b>	<b>178,015,247</b>	<b>168,510,347</b>	<b>174,949,732</b>	<b>182,373,355</b>	<b>189,663,261</b>
<b>Capital Plan</b>	<b>153,989,529</b>	<b>80,470,711</b>	<b>56,519,228</b>	<b>66,920,796</b>	<b>51,499,051</b>
<b>Contributed Assets From Developers</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>342,004,776</b>	<b>258,981,058</b>	<b>241,468,960</b>	<b>259,294,151</b>	<b>251,162,312</b>

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**SCHEDULE "B" – REVENUE PLAN OBJECTIVES AND POLICIES**

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

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

Proportion of total revenue

<b>Revenue Source</b>	<b>Operating Budget Funding Sources</b>	<b>Capital Budget Funding Sources</b>
Property taxes	35%	3%
Utility levies	16%	1%
User fees and charges	18%	0%
Other sources	31%	79%
Proceeds from borrowing	0%	17%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The proportion of total revenue raised from each funding source in 2012 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. For these reasons, property taxation will continue to be the major source of the Township's revenue.

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.

Distribution of 2012 property taxes among the various property classes

Property Class	Property Class Description	Property tax Revenue %
1	Residential	61.06%
2	Utilities	1.14%
4	Major Industry	0.25%
5	Light Industry	10.69%
6	Business	25.94%
8	Recreation	0.25%
9	Farm	0.67%
	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).

Use of Permissive Tax Exemptions

The total revenue foregone for permissive exemptions granted for the 2012 taxation year is approximately \$275,000. These permissive exemptions support Council policy that grants permissive exemptions only to those not-for-profit organizations that provide a valuable service to the community. The Township's permissive exemption policy and practice provides permissive exemption for bona fide community halls, community halls or facilities operated by charitable and other not-for-profit organizations, religious institutions and private schools, and heritage properties.