

THE CORPORATION OF THE TOWNSHIP OF LANGLEY**LANGLEY 2019 – 2023 FIVE-YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455****EXPLANATORY NOTE**

The Langley 2019 - 2023 Five-Year Financial Plan Bylaw 2019 No. 5455 authorizes the expenditure of funds for the Municipality. The Langley 2019 - 2023 Five-Year Financial Plan Bylaw 2019 No. 5455 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, 2019.

An expenditure that is not provided for in the 2019 - 2023 Five-Year Financial Plan is not lawful.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

LANGLEY 2019 - 2023 FIVE-YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455

A bylaw to establish the Five-Year Financial Plan from 2019 to 2023.

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 and May 15, 2019:

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 2019 - 2023 Five-Year Financial Plan Bylaw 2019 No. 5455".
2. Schedule "A", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2019 – 2023 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 2019 - 2023 Five Year Financial Plan of The Corporation of the Township of Langley.

READ A FIRST TIME the	11	day of	March	, 2019
READ A SECOND TIME the	11	day of	March	, 2019
READ A THIRD TIME the	11	day of	March	, 2019
RECONSIDERED AND ADOPTED the		day of		, 2019

_____ Mayor _____ Township Clerk

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY
LANGLEY 2019 - 2023 FIVE YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455
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

Revenue Source	Operating Budget Funding Sources	Capital Budget Funding Sources
Property taxes	58%	3%
Sale of Service – Utilities	20%	1%
Sale of Service - Other	10%	0%
Other sources	10%	39%
Transfer from own funds	2%	46%
Proceeds from borrowing	0%	11%
Total	100%	100%

The proportion of total revenue to be raised from each funding source in 2019 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.

The capital program is only partially funded from General and Utility Funds revenues with the majority of funding coming from sources such as reserves and surplus, development cost charges receipts, senior government grants, local area service funds and, as a last resort, from debt financing.

2. Distribution of 2018 property taxes among the various property classes

Property Class	Property Class Description	Property tax Revenue %
1	Residential	62.57%
2	Utilities	0.99%
4	Major Industry	0.24%
5	Light Industry	9.90%
6	Business	25.55%
8	Recreation	0.18%
9	Farm	0.57%
	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 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; 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.

Council approved permissive tax exemptions for 2019 are estimated to be at approximately \$1,221,457 (2018: \$1,072,091) which is approximately equal to 96% of a 1.00% property tax revenue increase for 2019.

	Amount
Charitable and Not-For-Profit	\$557,041
Churches	\$641,913
Heritage Properties	\$22,503
Total	\$1,221,457

THE CORPORATION OF THE TOWNSHIP OF LANGLEY
LANGLEY 2019 - 2023 FIVE YEAR FINANCIAL PLAN BYLAW 2019 NO. 5455
SCHEDULE "B" – FINANCIAL PLAN

	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$
REVENUE					
Operating Plan					
Property Taxes and Levies	142,967,040	150,690,409	156,358,922	161,941,097	168,057,905
Sale of Services-Utilities	48,418,958	52,192,555	55,853,998	59,821,123	64,123,424
Sale of Services-Other	25,097,520	25,364,196	25,486,530	25,605,861	25,657,295
Other Revenue	25,008,043	25,262,524	25,515,716	25,854,191	26,168,922
Transfer from Surplus and Reserves	10,681,710	2,613,808	2,625,383	2,856,708	6,010,485
Operating Plan Sub-total	252,173,271	256,123,491	265,840,549	276,078,980	290,018,031
Capital Plan					
Contribution from Current Year Revenue	9,996,376	11,346,376	12,696,376	14,046,376	15,396,376
Transfer from Prior Year's Surplus	11,605,842	280,000	150,000	150,000	150,000
Transfer from Development Cost Charge Reserves	53,325,613	36,806,460	28,341,865	24,021,490	23,264,148
Transfer from Capital Surplus and Reserves	136,214,117	35,759,133	33,252,375	33,709,492	39,794,070
Private Funds and Other Sources	73,462,341	55,760,000	54,131,000	54,143,000	54,161,000
Proceeds From Borrowing	33,985,835	-	-	-	-
Capital Plan Sub-Total	318,590,124	139,951,969	128,571,616	126,070,358	132,765,594
TOTAL FINANCIAL PLAN REVENUE	570,763,395	396,075,460	394,412,165	402,149,338	422,783,625
EXPENDITURE					
Operating Plan					
Municipal Services	216,081,798	218,258,721	225,875,934	233,921,727	245,666,949
Debt Service	9,703,373	10,433,433	10,368,454	10,368,454	10,330,954
Contribution to Funds and Reserves	26,388,100	27,431,337	29,596,161	31,788,799	34,020,127
Operating Plan Sub-Total	252,173,271	256,123,491	265,840,549	276,078,980	290,018,031
Capital Plan	318,590,124	139,951,969	128,571,616	126,070,358	132,765,594
TOTAL FINANCIAL PLAN EXPENDITURES	570,763,395	396,075,460	394,412,165	402,149,338	422,783,625

THE CORPORATION OF THE TOWNSHIP OF LANGLEY**DEVELOPMENT COST CHARGE RESERVE FUND****EXPENDITURE BYLAW 2019 NO. 5456****EXPLANATORY NOTE**

Bylaw 2019 No. 5456 provides for the 2019 Capital Expenditure Program (and related debt) from the Development Cost Charge Reserve Fund as provided by the 2019 – 2023 Five Year Financial Plan. The projects are for road, stormwater, sewer, water services and for parkland acquisition and development.

Expenditures have been included in the DCC Expenditure Bylaw, even when it looks like there are not enough funds available, in the event that enough DCC funds are received during the year. Projects will only proceed when sufficient funds are available.

Funds that become available in the Parkland Acquisition DCC Reserve, Water DCC Reserve, Stormwater DCC Reserve, and Roads DCC Reserve are first directed towards payment of the annual debt.

Presently, there are estimated expenditures under the bylaw in the amount of \$57,581,259, which include capital carry-forwards from prior years, current debt payments and new capital projects for 2019.

Should any of the above-noted monies remain unexpended at the end of a project, the unexpended balance will be returned to the credit of the reserve fund.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

DEVELOPMENT COST CHARGE RESERVE FUND

EXPENDITURE BYLAW 2019 NO. 5456

WHEREAS it is deemed expedient to expend monies set aside in the Development Cost Charge Reserve Fund established pursuant to Bylaw 1980 No.1946 and interest earned thereon for the following purposes:

	<u>TOTAL</u>
Roads	22,093,977
Stormwater	2,963,286
Sewer	6,748,899
Water	7,983,071
Parkland	14,839,789
Park Development	2,952,237
TOTAL	<u>57,581,259</u>

NOW THEREFORE, the Municipal Council of The Corporation of the Township of Langley, In Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This bylaw shall be cited as "Development Cost Charge Reserve Fund Expenditure Bylaw 2019 No. 5456".
2. There is hereby authorized to be expended from the monies set aside and any interest earned thereon pursuant to the Bylaw entitled "Development Cost Charge Reserve Fund Bylaw 1980 No. 1946", a sum not exceeding fifty-seven million five hundred eighty-one thousand and two hundred and fifty-nine dollars for capital improvements and debt repayment as aforementioned.

Should any of the above-mentioned funds remain unexpended, after the expenditures hereby authorized have been made, the unexpended balance shall be returned to the credit of the said Reserve Fund.

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_____ Mayor _____ Township Clerk