

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY****LANGLEY 2021 – 2025 FIVE-YEAR FINANCIAL PLAN BYLAW 2021 NO. 5692****EXPLANATORY NOTE**

The Langley 2021 - 2025 Five-Year Financial Plan Bylaw 2021 No. 5692 authorizes the expenditure of funds for the Municipality. The Langley 2021 - 2025 Five-Year Financial Plan Bylaw 2021 No. 5692 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, 2021.

An expenditure that is not provided for in the 2021 - 2025 Five-Year Financial Plan is not lawful.

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**LANGLEY 2021 - 2025 FIVE-YEAR FINANCIAL PLAN BYLAW 2021 NO. 5692**

A bylaw to establish the Five-Year Financial Plan from 2021 to 2025.

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, 2021:

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 2021 - 2025 Five-Year Financial Plan Bylaw 2021 No. 5692".
2. Schedule "A", being the Revenue Plan Objectives and Policies, attached hereto and forming part of this bylaw is hereby adopted as the 2021 – 2025 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 2021 - 2025 Five Year Financial Plan of The Corporation of the Township of Langley.

READ A FIRST TIME the	22	day of	February	, 2021
READ A SECOND TIME the	22	day of	February	, 2021
READ A THIRD TIME the	22	day of	February	, 2021
ADOPTED the		day of		, 2021

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

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY  
LANGLEY 2021 - 2025 FIVE YEAR FINANCIAL PLAN BYLAW 2021 NO. 5692  
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	55%	3%
Sale of Service – Utilities	19%	0%
Sale of Service - Other	7%	0%
Other sources	14%	53%
Transfer from own funds	5%	27%
Proceeds from borrowing	0%	17%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The table above reflects Revenue raised from each funding source in 2021. Property taxes form the greatest proportion of operating revenue for the Township and they provide a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. Such services include parks, transportation, stormwater, fire protection, policing services, recreation and culture, facility maintenance and general government. For these reasons, property taxation will continue to be a major source of the Township revenue.

User fees and charges are the second largest portion of general operating revenue. Many Township services, such as water, sanitary sewer, and solid waste (including garbage and organics collection and disposal), 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 estimated 2020 property taxes among the various property classes

Property Class	Property Class Description	Property tax Revenue %
1	Residential	63.15%
2	Utilities	0.99%
4	Major Industry	0.23%
5	Light Industry	9.71%
6	Business	25.18%
8	Recreation	0.21%
9	Farm	0.53%
	<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 is to set tax rates in order to maintain reasonable tax stability in compliance with the *Community Charter*. This has been accomplished by maintaining the proportionate relationship provided above between property classes as impacted by annual average changes in assessed values of each class. (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 that are eligible for such exemptions.

The Township grants permissive exemptions for buildings for public worship; not-for-profit and charitable organizations and community halls; and heritage properties. Council supports, through permissive exemptions from property taxes, organizations that 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.

Per Council Report 20-122, dated October 5, 2020 Council approved permissive tax exemptions calculated to be approximately \$1,378,628, which is just under 1% property tax increase (99%) (2020- 105%) property tax revenue increase.

	2021 (Estimated)	2020 (Actual)
Charitable and Not-For-Profit	\$ 598,509	\$ 652,581
Churches	757,188	728,157
Heritage Properties	22,931	21,839
<b>Total</b>	<b>\$1,378,628</b>	<b>\$1,402,577</b>

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**  
**LANGLEY 2021 - 2025 FIVE YEAR FINANCIAL PLAN BYLAW 2021 NO. 5692**  
**SCHEDULE "B" – FINANCIAL PLAN**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b><u>REVENUE</u></b>					
<b>Operating Plan</b>					
Property Taxes and Levies	156,974,167	170,405,759	177,792,517	185,166,707	192,698,583
Sale of Services-Utilities	54,207,502	57,075,106	60,312,487	63,788,837	68,444,513
Sale of Services-Other	20,197,185	23,436,709	25,035,978	26,728,199	26,760,198
Other Revenue	38,797,848	30,587,650	30,214,962	30,195,082	29,998,222
Transfer from Surplus and Reserves	13,301,165	2,410,187	6,501,757	6,501,757	6,501,757
<b>Operating Plan Sub-total</b>	<b>283,477,867</b>	<b>283,915,411</b>	<b>299,857,701</b>	<b>312,380,582</b>	<b>324,403,273</b>
<b>Capital Plan</b>					
Contribution from Current Year Revenue	10,009,376	9,889,376	9,889,376	9,889,376	9,889,376
Transfer from Prior Year's Surplus	150,000	150,000	150,000	150,000	150,000
Transfer from Development Cost Charge Reserve:	97,076,147	74,904,370	32,410,870	26,470,870	17,560,870
Transfer from Capital Surplus and Reserves	108,235,433	22,803,956	18,927,573	21,770,881	18,722,573
Private Funds and Other Sources	114,275,273	97,243,000	62,148,000	62,133,000	62,133,000
Proceeds From Borrowing	67,861,335	15,000,000	15,000,000	15,000,000	15,000,000
<b>Capital Plan Sub-Total</b>	<b>397,607,564</b>	<b>219,990,702</b>	<b>138,525,819</b>	<b>135,414,127</b>	<b>123,455,819</b>
<b>TOTAL FINANCIAL PLAN REVENUE</b>	<b>681,085,431</b>	<b>503,906,113</b>	<b>438,383,520</b>	<b>447,794,709</b>	<b>447,859,092</b>
<b><u>EXPENDITURE</u></b>					
<b>Operating Plan</b>					
Municipal Services	243,570,154	242,652,404	255,105,675	264,857,281	275,139,650
Debt Service	11,630,330	11,630,330	11,592,830	11,580,330	11,580,330
Contribution to Funds and Reserves	28,277,383	29,632,677	33,159,196	35,942,971	37,683,293
<b>Operating Plan Sub-Total</b>	<b>283,477,867</b>	<b>283,915,411</b>	<b>299,857,701</b>	<b>312,380,582</b>	<b>324,403,273</b>
<b>Capital Plan</b>	<b>397,607,564</b>	<b>219,990,702</b>	<b>138,525,819</b>	<b>135,414,127</b>	<b>123,455,819</b>
<b>TOTAL FINANCIAL PLAN EXPENDITURES</b>	<b>681,085,431</b>	<b>503,906,113</b>	<b>438,383,520</b>	<b>447,794,709</b>	<b>447,859,092</b>

**THE CORPORATION OF THE TOWNSHIP OF LANGLEY****DEVELOPMENT COST CHARGE RESERVE FUND****EXPENDITURE BYLAW 2021 NO. 5691****EXPLANATORY NOTE**

Bylaw 2021 No. 5691 provides for the 2021 Capital Expenditure Program (and related debt) from the Development Cost Charge Reserve Fund as provided by the 2021 – 2025 Five Year Financial Plan. The projects are for roads, 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 \$105,342,394, which include capital carry-forwards from prior years, current debt payments and new capital projects for 2021.

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 2021 NO. 5691**

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:

	<b><u>TOTAL</u></b>
Roads	<b>54,496,624</b>
Stormwater	<b>1,634,323</b>
Sewer	<b>6,272,019</b>
Water	<b>18,306,243</b>
Parkland	<b>14,957,615</b>
Park Development	<b>9,675,570</b>
<b>TOTAL</b>	<b><u>105,342,394</u></b>

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 2021 No. 5691".
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 one hundred and five million three hundred forty two thousand and three hundred ninety four 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.

READ A FIRST TIME the	22	day of	February	, 2021
READ A SECOND TIME the	22	day of	February	, 2021
READ A THIRD TIME the	22	day of	February	, 2021
ADOPTED the		day of		, 2021

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