

DISTRICT OF LAKE COUNTRY

BYLAW 1109

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE YEARS 2020 - 2024

WHEREAS, pursuant to Section 165 of the Community Charter, the Council shall, before the 15th day of May in each year, before the annual property tax bylaw is adopted, adopt a financial plan;

NOW THEREFORE the Council of the District of Lake Country, in open meeting assembled, ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as 2020-2024 Financial Plan Bylaw 1109, 2019.
2. Those schedules marked as Schedule "A" and "B" attached hereto, and forming part of this bylaw, are hereby declared to be the Financial Plan for the District of Lake Country for the period January 1, 2020 to December 31, 2024.

READ A FIRST TIME this 10th day of December, 2019.

READ A SECOND TIME as amended this 20th day of February, 2020.

READ A THIRD TIME as amended this 20th day of February, 2020.

ADOPTED this 3rd day of March, 2020.

Original signed by James Baker
Mayor

Original signed by Reyna Seabrook
Corporate Officer

I hereby certify the foregoing to be a true and correct copy of the Bylaw cited as the "2020 - 2024 Financial Plan Bylaw 1109, 2019", as adopted by the Municipal Council on the 3rd day of March, 2020.

Dated at Lake Country, BC

Corporate Officer

**Schedule "A" attached to
2020-2024 Financial Plan
Bylaw 1109, 2019**

	2020	2021	2022	2023	2024
Revenue					
Property Taxes	(14,842,685)	(15,726,018)	(16,502,092)	(17,316,940)	(18,171,900)
Parcel Taxes	(2,341,013)	(2,428,911)	(2,467,018)	(2,455,702)	(2,491,967)
Fees and Charges	(9,689,646)	(9,455,476)	(9,734,148)	(10,024,527)	(10,327,259)
Other Revenue	(12,082,370)	(6,327,771)	(6,484,872)	(6,596,071)	(6,681,693)
Transfer from DCC Reserves	(7,577,738)	(223,542)	(223,544)	(223,546)	(223,548)
Total Revenue	(46,533,452)	(34,161,718)	(35,411,674)	(36,616,786)	(37,896,367)
Expenses					
General Government Services	3,700,531	3,767,416	3,683,786	3,738,212	3,814,257
Protective Services	5,129,499	5,647,787	5,827,105	5,974,564	6,126,002
Transportation Services	6,402,683	6,133,258	6,274,203	6,434,570	6,599,500
Environmental Services	1,880,490	1,927,909	1,976,594	2,026,580	2,077,902
Community Services	1,677,994	1,634,353	1,666,341	1,698,967	1,732,247
Parks and Recreation	4,519,112	4,612,839	4,711,215	4,820,501	4,932,787
Water Operations	3,796,853	3,940,752	4,068,940	4,204,403	4,347,957
Sewer Operations	2,205,155	2,262,674	2,322,536	2,400,603	2,484,799
Interest Expense	727,675	789,830	747,181	697,192	698,525
Total Expenses	30,039,991	30,716,818	31,277,902	31,995,591	32,813,976
Annual Surplus	(16,493,461)	(3,444,900)	(4,133,772)	(4,621,195)	(5,082,391)
Proceeds from Borrowing	(7,245,000)	-	-	-	-
Transfer from Reserves	(15,724,542)	(350,000)	(15,000)	-	-
Transfer from Surplus	(207,119)	(192,242)	(1,917)	(840)	314
Principal Repayment	633,164	742,930	667,326	625,972	625,976
Capital Expenditures	35,363,572	-	-	-	-
Transfer to Surplus and Non-Statutory Reserve	7,029,772	6,741,841	7,127,640	7,792,602	8,410,735
Actuarial Adjustment on Long Term Debt	483,837	483,847	483,856	483,865	483,875
Amortization of tangible capital assets	(3,840,222)	(3,981,476)	(4,128,133)	(4,280,404)	(4,438,509)
Debt, Capital and Reserve/Surplus transfers	16,493,462	3,444,900	4,133,772	4,621,195	5,082,391
Financial Plan Balance	-	-	-	-	-

Statement of Objectives and Policies

In accordance with Section 165(3.1) of the Community Charter, the District of Lake Country is required to include in its Five-Year Financial Plan (2020 - 2024), objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
2. The distribution of property taxes among the property classes; and
3. The use of permissive tax exemptions.

1. Funding Sources

The objectives and policies pertaining to municipal revenue which are incorporated into the District of Lake Country's Financial Plan include:

- The build-up of reserves to minimize the need to borrow for future capital projects;
- Provide sufficient operating funds to ensure existing infrastructure is properly maintained to maximize its lifespan;
- Pursue infrastructure grants from senior levels of government to lessen the impact on local property taxation and user fees;
- Review user fees to match operational costs, where appropriate;
- Examine business opportunities to raise revenue for the District; and

Over the five-year plan, the proportion or percentage of total revenue from the various revenue sources, as detailed in the Financial Plan, is summarized in Table 1 below.

Table 1: Sources of Revenue

Revenue Sources	2020
Property Taxes	31.9%
Parcel Taxes	5.03%
Fees & Charges	20.82%
Other Revenue	25.96%
Transfers from DCC Restricted Revenue	16.28%
Total Revenue	100%

2. Distribution of Property Taxes

It is Council's goal to ensure that there is a fair and equitable apportionment of taxes to each property class. The objectives and policies pertaining to the distribution of property taxes among the property classes and incorporated into the Financial Plan include:

- Regular reviews and comparisons of the District's tax burden relative to other BC municipalities and its neighbours to ensure a competitive tax structure and rates;
- Adjustments to taxation levels for specific property classes, where appropriate, based upon the reviews;
- Application of the general municipal tax increase to each property class individually so that the average taxpayer within each property class is impacted equally, relative to other property classes;
- Decrease (or increase) tax rates to offset the market increase (or decrease) in average taxable assessment within each property class compared to the previous year prior to applying the general municipal tax increase; and
- The use non-market growth in the assessment roll due to new construction and development to assist in balancing the overall Financial Plan.

Table 2 below highlights the estimated municipal property tax dollars and the respective percentages to be collected from each of the tax classes for 2020.

Table 2: Approximate Distribution of 2020 Municipal Property Taxes

Property Class	Property Tax Dollars Raised (General & Fire Protection)	% of Total Property Taxation	Ratio
(1) Residential	\$13,002,954	87.83%	1.0
(2) Utility	\$185,059	1.25%	14.8
(5) Light Industrial	\$309,418	2.09%	5.1
(6) Business/Other	\$1,215,465	8.21%	2.4
(8) Recreation/Non-Profit	\$85,867	.58%	2.7
(9) Farm	\$5,922	.04%	0.2
Totals	\$14,804,685	100.00%	

3. Permissive Tax Exemptions

The Annual Report details the extent of permissive tax exemptions provided by the District of Lake Country. The administration and approval of permissive tax exemptions is set by Council policy. Some of the eligibility criteria within the policy include the following:

- The paramount consideration for a permissive tax exemption is the benefit to the community and the residents of Lake Country;

- Permissive exemptions will also be granted where an organization provides a service that the District would provide given sufficient financial resources;
- Permissive tax exemptions are based on the principal use of the property;
- The goals, policies or principles of the organization must not be inconsistent or conflict with those of the District of Lake Country;
- Membership in the organization and/or use of the property must be reasonably open to all Lake Country residents; and
- The organization must be a registered non-profit society. The support of the municipality will not be used for commercial or private gain.