

**CITY OF LANGFORD
BYLAW NO. 2167**

A BYLAW TO ADOPT A FINANCIAL PLAN FOR 2024 – 2028

WHEREAS under the *Community Charter* the municipality must have a financial plan adopted by bylaw before the annual property tax bylaw is adopted;

AND WHEREAS through a public process the financial plan has been presented and the public has had an opportunity to comment;

AND WHEREAS Council deems this to be a process of public consultation as required by the *Community Charter*,

NOW THEREFORE the Council of the City of Langford, in open meeting assembled, enacts as follows:

1. Schedule “A” attached hereto and forming part of this bylaw comprises the City of Langford Consolidated Five Year Financial Plan for 2024 – 2028.
2. Schedule “B” attached hereto and forming part of this bylaw comprises the City of Langford Revenue and Property Tax Policy Disclosure.
3. This bylaw may be cited for all purposes as “City of Langford 2024-2028 Financial Plan Bylaw No. 2167, 2024”.

READ A FIRST TIME this 15th day of April, 2024.

READ A SECOND TIME this 15th day of April, 2024.

READ A THIRD TIME this 15th day of April, 2024.

ADOPTED this day of May, 2024.

MAYOR

(Certified Correct)
CORPORATE OFFICER

						Schedule "A"
Bylaw No. 2167						
Consolidated Financial Plan 2024-2028						
		<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
REVENUES:						
External Revenues						
	Development Cost Charges	\$ 6,477,884	\$ 4,850,000	\$ 1,100,000	\$ 1,100,000	\$ 2,600,000
	Developer Contributions	5,139,977	-	-	-	-
	Other Capital Contributions	-	-	-	-	-
	Municipal Property Taxes	53,922,397	61,573,035	67,392,971	73,585,427	78,129,348
	Grants in Lieu	192,000	196,000	200,000	204,000	208,000
	Utility Taxes	537,353	602,341	627,732	654,711	683,402
	Parcel Taxes	4,313,438	4,313,438	4,313,438	4,313,438	4,313,438
	Fees and Charges	3,843,700	3,707,300	3,619,900	3,632,500	3,645,100
	Interest	750,000	600,000	500,000	500,000	500,000
	Grants From Other Governments	4,059,761	1,337,544	1,302,158	1,305,181	1,308,294
	Other Sources	10,537,790	10,560,344	10,578,285	10,481,494	10,481,017
	Total External Revenues	89,774,300	87,740,002	89,634,484	95,776,751	101,868,599
EXPENDITURES:						
External Expenditures						
	Operating Expenditures	69,009,600	71,769,277	75,412,154	78,760,039	84,137,816
	Interest Payments on Debt	2,462,250	2,447,250	2,427,250	2,427,250	2,427,250
	Capital Expenditures	112,427,076	14,540,000	7,031,000	5,231,000	6,271,000
	Total External Expenditures	183,898,926	88,756,527	84,870,404	86,418,289	92,836,066
	CHANGE IN NET FINANCIAL POSITION	(94,124,626)	(1,016,525)	4,764,080	9,358,462	9,032,533
OTHER REVENUES:						
	Borrowing Proceeds	88,518,040	5,500,000	2,700,000	2,000,000	2,000,000
OTHER EXPENDITURES:						
	Principal Payments on Debt	5,609,211	5,907,211	6,799,475	7,769,378	6,885,260
	TOTAL REVENUES LESS EXPENDITURES	-\$ 11,215,797	-\$ 1,423,736	\$ 664,605	\$ 3,589,084	\$ 4,147,273
INTERNAL TRANSFERS:						
Transfer from Reserve Funds						
	Affordable Housing	989,000	347,290	270,695	273,716	276,827
	Capital Works & Equipment	3,497,000	1,600,000	1,350,000	1,350,000	1,325,000
	Equipment Replacement	753,200	435,200	1,818,700	741,200	204,900
	Parks & Open Space	-	-	-	-	-
	Park Improvement	-	-	-	-	-
	Sidewalk Capital	-	-	-	-	-
	Police Building Capital	96,000	96,000	96,000	96,000	96,000
	General Capital Fund	120,000	120,000	120,000	120,000	120,000
	General Operating	1,412,410	-	-	-	-
	General Amenity	5,332,908	2,975,000	800,000	800,000	800,000
	Transfer from Reserve Fund Total	12,200,518	5,573,490	4,455,395	3,380,916	2,822,727
Less: Transfer to Reserve and Capital Funds						
Reserves:						
	Police Building Capital	100,000	100,000	100,000	100,000	100,000
	Capital Works & Equipment	1,405,000	1,405,000	1,405,000	1,405,000	1,405,000
	Equipment Replacement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
	Parking Reserve	-	-	-	-	-
	Police Special	-	-	-	-	-
	General Amenity	-	-	-	-	-
	Infrastructure Sustainability	-	-	-	-	-
	General Capital Fund	2,162,410	2,000,000	2,900,000	4,750,000	4,750,000
		4,667,410	4,505,000	5,405,000	7,255,000	7,255,000
	Transfers from(to) Surplus	3,437,772	285,000	285,000	285,000	285,000
	Transfers from(to) Reserve Accounts	244,917	70,246	-	-	-
	TOTAL INTERNAL TRANSFERS	\$ 11,215,797	\$ 1,423,736	-\$ 664,605	-\$ 3,589,084	-\$ 4,147,273

Schedule "B"

Bylaw No. 2167

Revenue and Property Tax Policy Disclosure

REVENUE DISCLOSURE

Revenue Proportions

	2024		2025		2026		2027		2028	
	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%	(\$'000s)	%
Property Taxes	53,922	30%	61,573	70%	67,393	74%	73,585	74%	78,129	77%
Parcel Taxes	4,313	2%	4,313	5%	4,313	5%	4,313	4%	4,313	4%
Fees	3,844	2%	3,707	4%	3,620	4%	3,633	4%	3,645	4%
Other Sources	27,695	16%	13,297	15%	13,208	14%	13,144	15%	13,181	13%
Proceeds From Borrowing	88,518	50%	5,500	6%	2,700	3%	2,000	2%	2,000	2%
	178,292	100%	88,391	100%	91,234	100%	96,676	99%	101,269	100%

Other Sources includes grants from other governments and agencies, development contributions to capital, interest and penalties and miscellaneous sales of services.

Objectives and Policies

Property tax revenue is the City's primary revenue source, and one which is heavily reliant on the residential class. Diversification of the tax base and generation of non-tax revenue are ongoing objectives. Except in extraordinary circumstances, tax increases are kept to cost of living or less.

Parcel Charges are comprised of local area service debt servicing costs for roads.

Fees & Charges are a tool used for cost recovery. Various fees are reviewed every 1-5 years to ensure that they are adequate to recover costs of providing specific services.

Other Sources will vary greatly from year to year as it includes such items as:

- Development cost charges used to fund DCC capital projects,
- Contributions from others for capital,
- Interest earned on funds invested in accordance with the City's investment policy,
- Grants, which are sought from other governments and government agencies, often to be leveraged with City funds,
- Casino revenue sharing income.

Proceeds from Borrowing – Debt is used where it makes sense such as for urgent projects or to leverage grants where internal funding is not available. Caution is necessary when considering debt as it commits future cash flows to debt payments, restricting the ability to use those funds to provide other services. The source of the debt payments needs to be considered as does the justification for advancing the project

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Schedule “B” Continued Revenue and Property Tax Disclosure

PROPERTY TAX DISCLOSURE

Property Tax Revenue Distribution

The table below presents tax revenue and tax rates based on the 2024 Revised Assessment Roll:

Property Tax Distribution							
Property Class	Taxation Revenue		Net Taxable Assessed Value		Tax Rate	Multiple	
	(\$'000s)	%	(\$'000s)	%	(\$/1000)	(Rate/Res. Rate)	
1. Residential	38,973	72.3%	16,164,203	87.73%	2.4111	1.00	
2. Utility	188	0.3%	10,326	0.06%	18.1911	7.54	
4. Heavy Industry	-	0.0%	-	0.00%	7.7394	3.21	
5. Light Industry	489	0.9%	69,812	0.38%	7.0013	2.90	
6. Business/Other	14,214	26.4%	2,162,482	11.73%	6.5736	2.73	
7. Managed Forest	1	0.0%	346	0.00%	2.6849	1.11	
8. Rec./Non-Profit	57	0.1%	20,503	0.11%	2.7799	1.15	
9. Farm	0	0.0%	154	0.00%	2.4110	1.00	
	53,922		18,427,826				

Objectives and Policies

Council sets tax rates to maintain tax stability between property classes. Property class multiples are reviewed periodically to ensure that the burden of tax among property classes is not distorted by differing market value changes between classes.

Permissive Tax Exemptions

Policy with respect to permissive tax exemptions under section 224 of the Community Charter is that exemption will be considered where the organization has demonstrated proof of community access to citizens of Langford at a nominal charge and community benefit in the previous year.

Council supports the establishment of assisted living seniors' housing in Langford and has granted 10-year exemptions to three such developments.

Council has established a revitalization tax exemption program under section 226 of the *Community Charter* which grants an exemption for eligible buildings for up to 10 years. An exemption certificate was issued for one property in 2021 for which the exemption expires in 2028.