

DISTRICT OF LAKE COUNTRY

BYLAW 1197

A BYLAW TO ADOPT A FINANCIAL PLAN FOR THE YEARS 2023 - 2027

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

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 "2023-2027 Financial Plan Bylaw 1197, 2023."
2. The 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, 2023 to December 31, 2027.

READ A FIRST TIME this 31st day of January, 2023 as amended.

READ A SECOND TIME this ____ day of _____, 2023.

READ A THIRD TIME this ____ day of _____, 2023.

ADOPTED this ____ day of _____, 2023.

Mayor

Corporate Officer

I hereby certify the foregoing to be a true and correct copy of the Bylaw cited as the "2023 - 2027 Financial Plan Bylaw 1197, 2023" as adopted by Council on the ____ day of _____, 2023.

Dated at Lake Country, BC

Corporate Officer

**Schedule "A" attached to
2023-2027 Financial Plan
Bylaw 1197, 2023**

	2023	2024	2025	2026	2027
Revenue					
Property Taxes	(20,248,188)	(21,586,352)	(22,437,609)	(23,323,114)	(24,226,914)
Parcel Taxes	(2,356,855)	(2,410,952)	(2,466,417)	(2,523,285)	(2,581,593)
Fees and Charges	(10,760,989)	(11,032,473)	(11,316,532)	(11,608,484)	(11,908,552)
Other Revenue	(26,388,524)	(7,081,759)	(7,065,153)	(7,187,037)	(7,316,386)
Transfer from DCC Reserves	(5,326,538)	(683,478)	(616,445)	(616,445)	(616,445)
Total Revenue	(65,081,094)	(42,795,014)	(43,902,156)	(45,258,365)	(46,649,890)
Expenses					
General Government Services	4,489,856	4,287,687	4,409,115	4,554,131	4,662,841
Protective Services	8,251,723	8,927,095	9,471,417	9,924,801	10,442,360
Transportation Services	6,848,706	7,280,460	7,491,975	7,710,438	7,936,099
Environmental Services	2,312,227	2,376,545	2,442,716	2,510,793	2,580,834
Development Services	2,017,149	2,070,761	2,118,888	2,175,575	2,233,865
Parks and Recreation	5,790,247	5,889,754	6,043,943	6,202,851	6,366,553
Water Operations	4,688,514	4,806,755	4,928,415	5,053,612	5,182,415
Sewer Operations	2,606,651	2,670,854	2,736,784	2,804,491	2,874,031
Interest Expense	1,053,150	1,072,023	791,981	791,259	783,982
Total Expenses	38,058,223	39,381,934	40,435,234	41,727,951	43,062,981
Annual Surplus	(27,022,871)	(3,413,080)	(3,466,922)	(3,530,414)	(3,586,910)
Proceeds from Borrowing	(5,133,974)	-	-	-	-
Transfer from Reserves	(18,198,625)	(307,000)	(300,000)	(300,000)	(320,000)
Transfer from Surplus	(1,729)	(2,113)	(2,515)	(2,939)	(3,384)
Principal Repayment	1,014,859	1,047,878	857,458	859,213	809,421
Capital Expenditures	46,562,966	-	-	-	-
Transfer to Surplus and Non-Statutory Reserve	7,128,977	7,175,892	7,570,925	7,796,053	8,091,558
Actuarial Adjustment on Long Term Debt	305,822	305,822	305,822	305,822	305,822
Amortization of tangible capital assets	(4,655,425)	(4,807,399)	(4,964,768)	(5,127,735)	(5,296,507)
Debt, Capital and Reserve/Surplus transfers	27,022,871	3,413,080	3,466,922	3,530,414	3,586,910
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 (2023 - 2027), objectives and policies regarding each of the following:

- A. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the Community Charter;
- B. The distribution of property taxes among the property classes; and
- C. 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 of Lake Country; and
- In year 1 (2023) of 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	2023
Property Taxes	31.12%
Parcel Taxes	3.62%
Fees & Charges	16.53%
Other Revenue	40.55%
Transfers from DCC Restricted Revenue	8.18%
Total Revenue	100%

2. Distribution of Property Taxes

It is Council's goal to ensure 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 of Lake Country'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 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 of non-market growth in the assessment roll due to new construction and development to assist in covering expenditures required to service the additional burden on the infrastructure and services within the District of Lake Country.

Table 2 below highlights the estimated municipal property tax dollars and the respective percentages to be collected from each of the tax classes for 2023.

Table 2: Approximate Distribution of 2023 Municipal Property Taxes

Property Class	Property Tax Dollars Raised (General & Fire Protection)	% of Total Property Taxation	Ratio
(1) Residential	\$17,725,264	87.54%	1.0000
(2) Utility	\$249,053	1.23%	18.5873
(5) Light Industrial	\$532,527	2.63%	5.4170
(6) Business/Other	\$1,658,327	8.19%	2.7183
(8) Recreation/Non-Profit	\$76,943	.38%	2.3815
(9) Farm	\$6,074	.03%	0.2635
Totals	\$20,248,188	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 of Lake Country 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.