

DISTRICT OF LILLOOET

BYLAW NO. 354

**A bylaw to adopt the Financial Plan of the District of Lillooet
For the years 2011 to 2015**

The Council of the District of Lillooet in open meeting assembled enacts as follows:

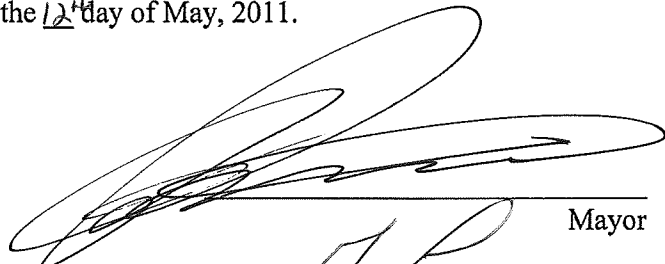
1. This bylaw may be cited as "**Financial Plan Bylaw 2011, No. 354**".
2. The Financial Plan for the District of Lillooet, as shown on Schedule "A" attached hereto and forming part of this bylaw, is hereby adopted for the period January 1, 2011 to December 31, 2015.
3. The Revenue Policy Disclosure for the year 2011, is attached hereto as Schedule "B" and forms part of this bylaw.

READ A FIRST TIME on the 11th day of May, 2011.

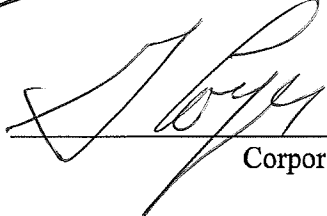
READ A SECOND TIME on the 11th day of May, 2011.

READ A THIRD TIME on the 11th day of May, 2011.

FINALLY PASSED AND ADOPTED on the 12th day of May, 2011.



Mayor



Corporate Officer

DISTRICT OF LILLOOET
Financial Plan Bylaw 2011, No. 354
Schedule 'A'

	2011 Projected Budget	2012 Projected Budget	2013 Projected Budget	2014 Projected Budget	2015 Projected Budget
REVENUE					
Property Taxes					
General Government	\$ 1,510,484	\$ 1,581,394	\$ 1,655,850	\$ 1,734,028	\$ 1,816,116
Municipal Capital Asset Replacement	100,965	100,965	100,965	100,965	100,965
Parcel Taxes	222,465	222,465	222,465	222,465	222,465
Collections for other Governments	1,792,782	1,792,782	1,792,782	1,792,782	1,792,782
	<u>3,626,696</u>	<u>3,697,606</u>	<u>3,772,062</u>	<u>3,850,240</u>	<u>3,932,328</u>
less: taxes collected for other governments	1,792,782	1,792,782	1,792,782	1,792,782	1,792,782
	<u>1,833,914</u>	<u>1,904,824</u>	<u>1,979,280</u>	<u>2,057,458</u>	<u>2,139,546</u>
Grants in lieu of taxes	173,078	173,078	173,078	173,078	173,078
Property taxes and grants in lieu	<u>2,006,992</u>	<u>2,077,902</u>	<u>2,152,358</u>	<u>2,230,536</u>	<u>2,312,624</u>
Fees and charges	1,476,110	1,512,294	1,533,190	1,555,922	1,579,410
Government transfers	1,198,557	457,542	457,542	457,542	457,542
Interest and Penalties	61,500	62,500	62,500	62,500	62,500
Other	-	-	-	-	-
Borrowing	249,433	-	-	-	-
Total from operations	<u>4,992,592</u>	<u>4,110,238</u>	<u>4,205,589</u>	<u>4,306,500</u>	<u>4,412,075</u>
Transfers From Funds:					
Reserve Funds	98,440	60,000	155,000	60,000	140,000
Accumulated Surplus	330,575	97,874	197,018	397,785	669,598
Total Revenue	<u>\$ 5,421,607</u>	<u>\$ 4,268,112</u>	<u>\$ 4,557,607</u>	<u>\$ 4,764,285</u>	<u>\$ 5,221,673</u>
EXPENDITURES					
Municipal operations					
General government	\$ 943,166	\$ 905,149	\$ 926,186	\$ 954,393	\$ 970,293
Protective services	448,688	362,832	382,793	368,594	390,950
Transportation	69,815	106,280	76,710	77,150	77,600
Solid Waste	182,306	177,707	183,470	188,912	194,873
Public health services	13,862	14,136	11,856	14,416	11,963
Planning and development services	392,016	349,338	320,835	324,911	329,070
Recreation, parks and culture	657,121	664,393	683,209	702,591	722,558
Water services	359,243	361,574	376,518	381,354	397,004
Sewer services	252,363	217,861	223,392	229,209	235,068
	<u>3,318,579</u>	<u>3,159,269</u>	<u>3,184,967</u>	<u>3,241,532</u>	<u>3,329,379</u>
Lease payments	28,571	50,720	45,951	44,251	44,252
Interest payments on debenture debt	75,682	81,859	76,242	75,441	72,586
Capital Expenditures	1,333,939	225,000	300,000	180,000	260,000
Capital Asset Replacement Fund	100,965	100,965	100,965	100,965	100,965
Principle payments on debt	139,397	150,815	145,097	145,898	117,668
Transfers to:					
Reserve Funds	326,600	302,465	306,600	306,600	326,600
Accumulated Surplus	97,874	197,018	397,785	669,598	970,223
Total Expenditures	<u>\$ 5,421,607</u>	<u>\$ 4,268,111</u>	<u>\$ 4,557,607</u>	<u>\$ 4,764,285</u>	<u>\$ 5,221,673</u>

Financial Plan Bylaw 2011, No. 354
Schedule 'B'
2011 Revenue Policy Disclosure

In accordance with Section 165(3.1) of the *Community Charter*, the District of Lillooet is required to include in the Five Year Financial Plan, 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.

Funding Sources

The table below shows the proportion of proposed 2011 revenue raised from each funding source. One column shows the proposed revenue including Conditional Government Transfers and one column shows the proposed revenue excluding Conditional Government Transfers. Conditional Government Transfers are funds provided by other governments or government agencies for specifically defined projects. Without this additional funding, the projects would not occur or an increase in property value taxes or user fees would be required.

Objectives

- 1) The District of Lillooet will increase all user fee rates and the general property tax rate by a minimum of the rate of inflation each year.
- 2) When considering new infrastructure the District of Lillooet will not only consider the cost to build and operate this new infrastructure but also the cost to replace or repair said infrastructure.

Policies

- 1) As debt matures, the District of Lillooet will annually place an amount equivalent to the value of this matured debt into the appropriate reserve fund. This allocation of funds is for the future replacement and or repair of infrastructure.
- 2) All user fees and charges will pay for the cost of the annual operations of each cost centre.
- 3) All parcel tax revenue will pay for annual water and sewer debenture payments and contributions to reserves for future water and sewer infrastructure improvements.
- 4) Services funded by user fees shall pay a 10% administration fee.

2011 Revenue Policy Disclosure– cont.

Revenue Source	% Total Revenue (\$6,725,742) Including Conditional Government Transfers	% Total Revenue (\$ 5,654,470) Excluding Conditional Government Transfers
Property value taxes	54.19	64.46
Parcel taxes	3.31	3.93
Sales of services	21.95	26.11
Other sources	.91	1.09
Government transfers	15.93	
Borrowing	3.71	4.41
TOTAL	100.00	100.00

Distribution of Property Tax Rates

The table below shows the distribution of property value tax among the property classes. The Residential Property Class provides the largest portion of property tax revenue with the Business/Other Property Class providing the next largest portion of property tax revenue.

BC Regulation 329/96 sets a municipal taxation rate cap for class 02 property for 2000 and subsequent years. This regulation states “In setting the tax or levy rate for class 02 property for general municipal purposes, a municipality must not exceed the greater of:

- i. \$40 for each \$1,000 of assessed value, and
- ii. 2.5 times the rate applicable to class 06 property for general municipal purposes in the municipality for the same taxation year.”

The class 02 tax rate for the District of Lillooet falls within these maximum limits.

Objectives

1. To maintain the current tax distribution of property value tax among the property classes.
2. Continue to maintain and encourage economic development initiatives designed to attract more retail, commercial and light industry to invest in the community. New investment in these areas will assist in paying for new infrastructure.

Policies

1. To assist in the retention and promotion of light industry in Lillooet, the ‘light industry or class 05’ tax rate shall equal the ‘Business and Other or class 06’ tax rate.
2. Regularly review and compare the District of Lillooet’s distributions of tax burden relative to other municipalities in British Columbia.

2011 Revenue Policy Disclosure– cont.

Property Class	Property Value	Value Tax % of Total	Property Assessment Value	% of Total
Residential (01)	\$ 882,083	54.74	187,622,900	82.53
Utilities (02)	270,633	16.79	8,342,665	3.67
Major Industry (04)	23,242	1.44	915,500	0.40
Light Industry (05)	29,798	1.85	2,044,600	.90
Business and Other (06)	401,794	24.93	27,568,850	12.13
Rec / non profit (08)	1,248	.08	265,400	0.12
Farm (09)	2,651	.16	563,879	0.25
TOTAL	\$ 1,611,449	100.00	\$227,323,794	100.00

Permissive Tax Exemptions District of Lillooet Policy AD-10

The Annual Municipal Report for 2010 contains a list of permissive exemptions granted for the taxation year and the amount of tax revenue foregone. The list demonstrates the policy of council adopted in 2010:

- (1) Section 220 of the *Community Charter* provides for statutory tax exemption for a range of properties including those held or used by the Province, municipalities, regional districts, libraries, hospitals, schools, cemeteries, and places for public worship. For some properties, such as those used for public worship, the statutory exemption is limited to the building and the land beneath the building – the land surrounding the building may be given a permissive exemption by Council.
- (2) Section 224 provides for permissive tax exemptions for properties used by a variety of non-profit organizations providing services which Council considers directly related to the purposes of the organization. It also provides for permissive exemptions for some properties which are additional to statutory exemptions under Section 220, such as church halls or land surrounding places for public worship. This policy is intended to provide guidance in the evaluation of applications for exemption from property taxes pursuant to Section 224 of the *Community Charter*.
- (3)
- (4) The *Community Charter* permits exemption from municipal taxes. Similar provisions in other taxing authority legislation extend the exemption to those levies.

2011 Revenue Policy Disclosure– cont.

- (5) Organizations must operate on a non-profit basis to ensure that Municipal support is not used for commercial or private gain. Organizations must be a registered charitable institution or society and provide their Certificate of Incorporation number.
- (6) Exemptions provided for in Section 224 are at the discretion of Council. There is no obligation to give the exemption. Exemptions cannot be granted if the organization does not qualify under the *Community Charter*.
- (7) Each application will be considered on its own merits using the evaluation guidelines.
- (8) Exemptions are based on the principal use of the property, not on the charitable service of the organization as a whole.
- (9) The exemption may apply to the whole or part of the taxable assessed value of land, improvements or both, at the discretion of Council.
- (10) Tax exemptions under section 224 will be considered for a four year period, unless a bylaw specifies a different term. That term cannot exceed 10 years under section 224(4)(a).
- (11) All exemptions must be renewed by application, on an approved form, including a copy of the organization’s most recent financial statements. Exemption must not be assumed, even if obtained in a prior year.
- (12) In the final year of an organization’s approved term of exemption, a letter will be forwarded to the organization advising of the date by which applications for the new term must be received. Applications received after the stated deadline or applications which do not include all required information may not be considered.

GENERAL EVALUATION GUIDELINES

- (1) The intent of these evaluation categories and guidelines is to identify the services and organizations which are the most complementary extensions of municipal services, and for which the burden resulting from the exemption is a justifiable expense to the taxpayers of Lillooet. Support should be directed towards services the District would consider providing given adequate resources.
- (2) The organization must justify the need for the services and may be requested to make a presentation to Council.

General Evaluation Guidelines – cont.

- (3) The use of the property must be consistent with and in support of all applicable municipal policies and legislation.
- (4) While services need not be maintained exclusively for the use of municipal residents, services should be offered primarily to citizens of Lillooet.
- (5) Permissive Tax Exemptions District of Lillooet Policy AD-10 – Cont.
- (6) Applicants must include with their submission a detailed estimate of the monetary contribution or impact the service or facility they are operating has on the community.
- (7) Organizations which have previously received Permissive Tax Exemption for a specific property are not required to complete Schedule ‘A’ of the application unless there have been changes to their organization or the property they are applying for.