

**VILLAGE OF LYTTON
BYLAW NO. 690**

**A bylaw to adopt the Financial Plan of the Village of Lytton
For the years 2017 to 2021**

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 Village of Lytton, in open meeting assembled, ENACTS AS FOLLOWS:

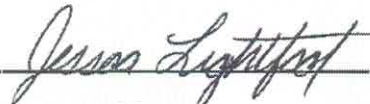
1. This Bylaw may be cited for all purposes as "Village of Lytton 2017 - 2021 Financial Plan Bylaw 690, 2017.
2. Those schedules marked as Schedule "A" and "B" attached hereto, and forming part of this bylaw, are hereby declared to be the Financial Plan for the Village of Lytton for the period January 1, 2017 to December 31, 2021.

READ A FIRST TIME on the 27th day of March, 2017.

READ A SECOND TIME on the 27th day of March, 2017.

READ A THIRD TIME on the 27th day of March, 2017.

FINALLY PASSED AND ADOPTED on the 10th day of April, 2017.



Mayor



Corporate Officer



Village of Lytton
Schedule "A" of Bylaw No. 690, 2017
2017 - 2021 Summary Financial Plan

	2017	2018	2019	2020	2021	Totals
REVENUES						
Property Taxation & Grants-in-Lieu of Taxation	384,495.00	395,622.03	407,078.79	418,875.14	431,021.22	2,042,263.18
Sale of Services and Regulatory fees	323,165.97	330,098.38	340,503.65	345,894.78	351,379.54	1,688,507.35
Government Transfers	593,487.00	562,063.87	565,676.51	569,325.27	573,010.53	2,813,549.18
Investment Income	15,221.00	13,766.00	13,811.45	13,857.35	13,903.72	73,059.52
Revenue from Other Sources	97,690.00	93,060.00	93,120.60	93,181.81	93,243.62	465,606.03
TOTAL REVENUES	1,409,058.97	1,394,610.28	1,420,191.01	1,441,134.35	1,462,558.62	7,127,553.23
EXPENSES						
General Administration and Legislative Services	494,590.56	494,637.87	499,089.53	508,730.22	516,063.72	2,528,896.34
Protective Services	302,773.60	265,361.87	266,387.11	267,534.85	268,705.55	1,307,644.38
Public Works and Transportation Services	222,829.53	226,284.40	228,326.48	230,409.17	232,533.30	1,132,622.54
Environmental and Development Services	151,061.02	116,102.24	116,644.29	117,192.17	117,745.96	555,185.66
Recreation, Parks & Cultural Services	66,177.38	64,280.93	65,566.55	66,877.88	68,215.43	331,502.79
Interest Expense	7,200.00	7,200.00	7,200.00	7,200.00	7,200.00	36,000.00
Water Utility	122,385.03	113,970.08	115,586.82	117,235.91	118,917.37	593,260.47
Sewer Utility	144,628.11	120,657.75	122,208.25	123,789.75	125,402.89	620,643.09
TOTAL EXPENSES	1,511,645.23	1,408,395.14	1,421,009.02	1,438,969.95	1,454,784.83	7,234,804.17
Annual Surplus/(Deficit)before Reserves, Capital & Debt	(102,586.26)	(13,784.86)	(818.01)	2,164.40	7,773.79	(107,250.94)
RESERVES, CAPITAL & DEBT						
Tangible Capital Assets Purchased	(106,750.00)	-	-	-	-	(106,750.00)
New Debt	-	-	-	-	-	-
Repayment of Debt & Actuarial Amortization	(16,294.00)	(16,294.00)	(16,294.00)	(16,294.00)	(16,294.00)	(81,470.00)
Transfers to Reserves/Surplus	118,397.33	117,906.88	117,906.88	117,906.88	117,906.88	590,074.85
Reserves/Surplus Used for Capital Funding	(98,362.07)	(92,828.02)	(100,794.87)	(103,777.28)	(109,386.67)	(505,148.91)
Reserves/Surplus Used to Fund Operations	106,750.00	5,000.00	-	-	-	106,750.00
	98,845.00	5,000.00	-	-	-	103,845.00
	102,586.26	13,784.86	818.01	(2,164.40)	(7,773.79)	107,250.94

Village of Lytton 2017 - 2021 Financial Plan
Schedule "B" of Bylaw No. 690, 2017
Statement of Objectives and Policies

In accordance with Section 165(3.1) of the Community Charter, the Village of Lytton is required to include in its Five-Year Financial Plan (2017 - 2021), 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

Council's objectives and policies in regards to operating and capital revenue sources are provided below. 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.

Operating Revenue Sources Objective:

Over the five-year financial plan timeframe, it is Council's goal to diversify and expand its revenue base as much as possible with the goal of becoming less reliant on property taxes.

Policy:

Council recognizes that the Village of Lytton is reliant on property taxes to fund the majority of its services/programs. Council is committed, on an annual basis, to formally reviewing and adjusting, where possible, existing user fees and to examining and implementing new user fees where feasible, in order to minimize overall property tax increases. Council also recognizes that raising user fees beyond a certain point will actually result in less usage or demand and ultimately less revenue and that various services like recreation need to be subsidized to a certain level so that all citizens can partake. The Village of Lytton, like other local governments in B.C., also needs access to other sources of revenue to meet growing service demands and to stabilize property taxes.

Capital Revenue Sources Objective:

Over the five-year financial plan timeframe, it is Council's goal to build up its reserves to provide for greater internal capital funding/financing opportunities.

Policy:

Council sees the need to increase its internal capital funding capacity by building up its own reserves, to minimize future external debt/interest costs and to provide internal borrowing opportunities. Internal debt financing for capital projects will be utilized to the extent possible before resorting to external debt with the proviso that internal debt repayments need to take place as scheduled; however, external debt financing may be required for larger, high priority capital projects if sufficient reserves are not in place.

Table 1: Sources of Revenue

Revenue Sources	2017	2018	2019	2020	2021
Property Taxes	28.1%	33.5%	34.2%	34.7%	35.2%
Parcel Taxes	0.0%	0.0%	0.0%	0.0%	0.0%
Fees & Charges	23.1%	26.9%	26.8%	26.5%	26.2%
Other Revenue	35.3%	39.0%	39.0%	38.8%	38.6%
Proceeds from Borrowing	0.0%	0.0%	0.0%	0.0%	0.0%
Transfers from Reserves	13.5%	0.4%	0.0%	0.0%	0.0%
Transfers from Surplus	0.0%	0.0%	0.0%	0.0%	0.0%
Total Revenue	100.0%	100.0%	100.0%	100.0%	100.0%

2. Distribution of Property Taxes

Council's objective and policy in regards to the distribution of property taxes are provided below. Table 2 below highlights the estimated municipal property tax dollars and the respective percentages to be collected from each of the tax classes in 2017.

Objective:

Over the five-year financial plan timeframe, it is Council's goal to diversify and expand its tax base so that all taxpayers are in a more favourable position.

Policy:

Council recognizes the need to rationalize its property tax distribution among the various tax classes; however, more importantly Council recognizes the need to diversify and expand its assessment/tax base. Council is committed to pursuing business/commercial economic development opportunities to achieve this. Council is also committed to comparing its assessment mix, property tax levels and property tax distribution with other B.C. communities on an annual basis.

Table 2: Approximate Distribution of 2017 Municipal Property Taxes

Distribution of 2017 Property Taxes			
Property Class	Property Tax Dollars Raised	% of Total Property Taxation	Ratio
(1) Residential	\$91,999	25.3%	1.0
(2) Utility	\$130,669	35.9%	6.9
(4) Major Industry	\$68,564	18.8%	18.2
(6) Business/Other	\$72,872	20.0%	2.7
Totals	\$364,104	100.0%	

3. Permissive Tax Exemptions

Council's objective and policy in regards to permissive tax exemptions are provided below.

Objective:

Over the five-year financial plan timeframe, Council will continue supporting worthy charitable/non-profit organizations that provide valuable services.

Policy:

Council chooses to support charitable/non-profit organizations (churches, social, and recreational) that provide valuable services to the community through permissive tax exemptions as allowed for by legislation. Council is committed to continuing with these tax exemptions and to treating all organizations with similar mandates equally when it comes to property tax exemptions.