



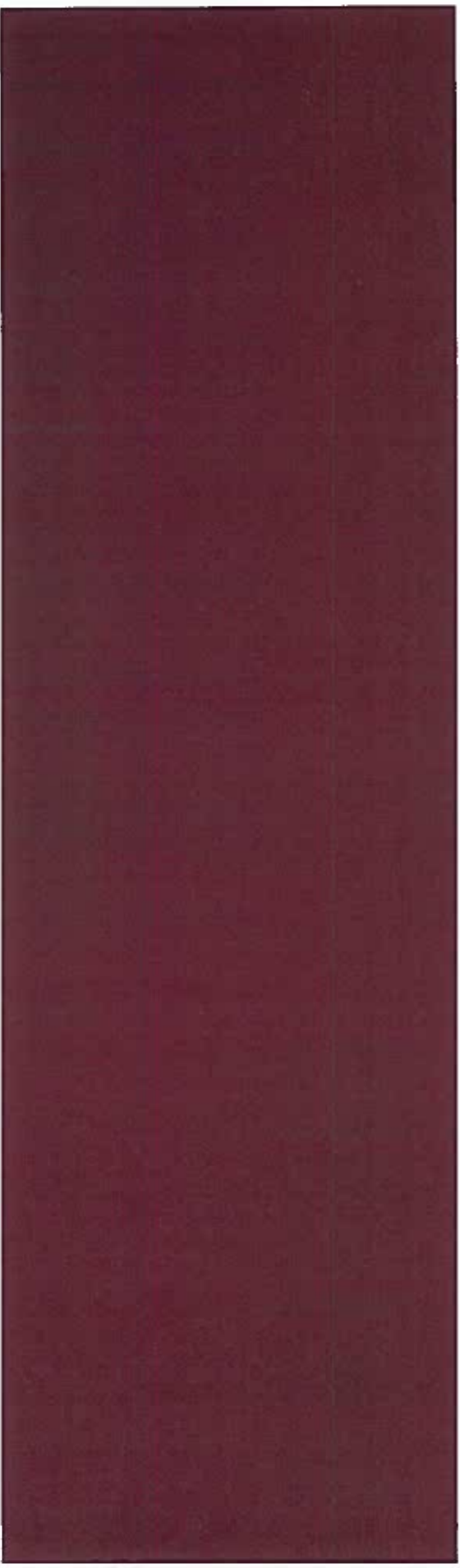
**Village of Lytton
AGENDA
Budget Planning Meeting
Council Chamber, 380 Main Street, Lytton, BC
6:00pm Thursday March 16, 2017**

- 1) Call to Order**
- 2) Taxation Alternatives – Presentation of taxing scenarios for 2017.**
- 3) Capital and Expenditure Requests 2017 Summary – Capital and expenditure requests with possible funding sources for discussion.**
- 4) Review of Sewer Fund – A review of the Sewer Fund**
- 5) Public Discussion & Question Period – Opportunity for the public to bring forward their questions and concerns about the discussed information.**
- 6) Adjournment**



VILLAGE OF LYTTON

2017 TAX RATE SETTING



PURPOSE OF PRESENTATION

- To receive direction on a 2017 tax rate structure for approval at the April 24th, 2017 Regular Meeting of Council

PROPERTY TAX RATE SETTING PROCESS

- Council includes the total amount of municipal property taxes to be raised in the Villages operating budget
- Administration provides the Finance and Audit Committee and Committee of the Whole with scenarios that will generate the tax revenue required
- Committee of the Whole recommends to Council the amount of taxation revenue that each of the Villages' four property tax classes will provide
- Council considers the recommendation and approves the annual tax rate bylaw after the financial plan bylaw and before May 15th.

PROPERTY TAX RATE SETTING PROCESS

- The tax rate for the properties within a class must be the same; however, the tax rates for different classes may be different
- Tax rate equals required tax revenue divided by taxable assessed value
- Property tax rates are expressed in dollars per thousand of assessed value

2016 VILLAGE OF LYTTON TAX RATES

The Village's Tax Classes, Rates and Levy Contributions			
Class	Tax Rate (charge per \$1000)	Percentage of Total Assessed Value	Percentage of Total Tax Payable
Residential	5.6505	64.27%	24.65%
Utility	40.0000	14.71%	39.95%
Major Industry	87.9537	2.64%	15.77%
Business/Other	15.7345	18.38%	19.63%

COMPARATIVE TO OTHER COMMUNITIES IN BC

- The Village of Lytton has the fourth highest Major Industry tax rate in BC out of 106 municipalities that have a Major Industry Class
- The Village of Lytton is number thirty-one for Residential tax rates which includes 162 communities
- The Village of Lytton is number twenty-eight for Business and Other with 162 communities

COMPARISON OF 2016 TO 2017 ASSESSMENTS

PROPERTY CLASS	2016		2017	
	Revised Roll Totals	% Between Classes	Completed Roll Totals	% Between Classes
Residential	15,768,400	64.27%	15,970,300	65.05%
Utilities	3,608,953	14.71%	3,266,723	13.31%
Supportive Housing	0	0.00%	0	0.00%
Major Industry	648,000	2.64%	653,000	2.66%
Light Industry	0	0.00%	0	0.00%
Business/Other	4,508,750	18.38%	4,659,900	18.98%
Managed Forest	0	0.00%	0	0.00%
Recreational/Non-profit	0	0.00%	0	0.00%
Farm	0	0.00%	0	0.00%
	24,534,103	100%	24,549,923	100%

5.353LGA/398VC: 261,700

272,700

Total per BCRA Reports: 24,795,803

24,822,623

VILLAGE OF LYTTON 5 YEAR FINANCIAL PLAN

- The Village of Lytton financial plan requires a taxation level of \$364,069 to cover 2017 operations, \$361,203 in 2016
- Due to a substantial decrease in the Utility class assessment in 2017 the loss of taxation revenue will be shared between the remaining classes to bring the taxation to 2016 levels
- Additional funds to be raised through increased taxes among the classes

OPTION #1

Set Major Industry tax rate to \$58.30 per thousand and obtain the remaining tax revenue required by increasing the Residential tax rate.

- The average household municipal tax payable will increase from \$ 689.62 in 2016 to \$834.01 in 2017
- Utility rate decreases by 6.8%
- Business rates would stay the same
- Major industrial tax rate would increase by 2.24%

OPTION #2

Starting from Option #1, set Major Industrial Tax Rate at \$58.30 per \$1000 and obtain remaining tax revenue required by increasing the Business, Utility and Residential tax rates

- The average household municipal tax payable will increase from \$ 689.62 in 2016 to \$780.54 in 2017
- Utility will decrease by 9.48%
- Business will increase by 8.93%
- Major industrial tax rate would increase by 2.24%

OPTION #3

Set the estimated household tax increase to 2.5% and obtain the remaining tax revenue required by equally increasing the Business, Utility and Major Industry tax rates

- The average household municipal tax payable will increase from \$689.62 in 2016 to \$730.64 in 2017
- Major industry would increase by 9.83%
- Business would increase by 10.07%
- Utility tax rate is set to the greater of \$40.00 per \$1000 of assessed value or 2.5 times the business rate as allowed under BC Regulation 329/96. This is a decrease of 9.48%

RECOMMENDATION

- That Council choose an option from the proposed scenarios for the 2017 tax rate bylaw.

Reserves		Stabilization	Vehicle	Legal and Insurance	General Capital	Gas Tax	General Surplus	Water Surplus	Sewer Surplus	Grants	Total Reserves
Budget	Opening Balance 2017	220,392.00	61,197.00	61,197.00	533,420.00	365,249.00	6,623.00	99,806.00	143,061.00	-	1,490,945.00
2016	Council Governance	(10,000.00)				(20,000.00)				5,000.00	(10,000.00)
	C2C Forum	(5,000.00)									(20,000.00)
	Computer replacements office				(12,000.00)						(12,000.00)
	Public Works Vehicle		(15,000.00)		(4,000.00)						(15,000.00)
	Info Center Upgrade					(10,000.00)					(4,000.00)
	Roads and Sidewalks Conditions Assessment				(16,000.00)						(10,000.00)
	Sidewalk Replacement					(20,000.00)					(16,000.00)
	Sewer Master Plan										(20,000.00)
	Fire Department Equipment	(5,010.00)									(5,010.00)
Approved	Fire Department Service Review										(10,000.00)
	Water Capital Project	(10,000.00)				(62,229.00)					(62,229.00)
2017	Telephone System				(5,000.00)						(5,000.00)
	Pool Solar Heating, Facade and Improvements				(20,500.00)						(20,500.00)
	Museum Building Addition and Design Improvements				(8,130.00)					8,000.00	(8,130.00)
	Main Street Beautification		(10,000.00)								(10,000.00)
	Water Tanker Upgrade										(5,000.00)
	New CAO Desk	(5,000.00)									(5,000.00)
	Janitorial Closet						(800.00)				(800.00)
	Meeting Equipment						(575.00)				(575.00)
	New Office and Council Chairs	(5,000.00)									(5,000.00)
	Pool Improvements	(2,030.00)									(2,030.00)
	Fire Equipment Annual Inspections	(6,200.00)									(6,200.00)
	Auto Exctrication Tools		(1,200.00)								(1,200.00)
	SCBA Masks	(1,070.00)									(1,070.00)
	Fire Department Training	(18,000.00)									(18,000.00)
	Fire Department Equipment and supplies	(2,990.00)									(2,990.00)
	Power Inverter							(500.00)			(500.00)
	Museum Staffing	(3,000.00)			(6,500.00)					15,000.00	(6,500.00)
	Museum Computer and Software								(14,000.00)		(14,000.00)
	Sewer Camera					62,118.10					62,118.10
	Transfers in										
	Ending Balances	147,092.00	34,997.00	61,197.00	461,290.00	315,138.10	5,248.00	99,306.00	128,561.00	28,000.00	1,260,829.10