

**DISTRICT OF LOGAN LAKE**

**BYLAW NO. 926, 2024**

A bylaw to adopt the District of Logan Lake Financial Plan for the Five-Year period 2024 to 2028

WHEREAS pursuant to the *Community Charter* of British Columbia Council must adopt a Five-Year Financial Plan before May 15th of each year.


NOW THEREFORE the Council of the District of Logan Lake in open meeting assembled enacts as follows:


1. This Bylaw may be cited as "District of Logan Lake Five-Year Financial Plan Bylaw No. 926, 2024".
2. Schedule "A" attached hereto and forming part of this Bylaw shall be the Financial Plan for the District of Logan Lake for the five-year period 2024 to 2028 inclusive.
3. Schedule "B" attached hereto and forming part of this Bylaw shall be the Financial Plan Statement of Objectives and Policies for District of Logan Lake for the five - year period 2024 to 2028 inclusive.
4. Bylaw No. 907 cited as "District of Logan Lake Five Year Financial Plan Bylaw No. 907, 2023" and any amendments are hereby repealed.
5. This bylaw shall come into full force and effect upon adoption.

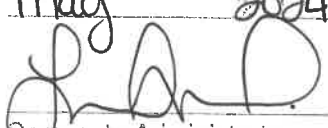
READ A FIRST AND SECOND TIME this 16<sup>th</sup> day of April, 2024

READ A THIRD TIME this 16<sup>th</sup> day of April, 2024

RECONSIDERED AND ADOPTED this 7<sup>th</sup> day of May, 2024

  
\_\_\_\_\_  
Mayor (Smith)

  
\_\_\_\_\_  
Corporate Officer (L. Grimm)

Certified a true copy of the District of Logan Lake
Resolution No. _____ or
Bylaw No. <u>926</u>
Dated this <u>8<sup>th</sup></u> day of
<u>May</u> <u>2024</u>
 _____ Corporate Administrator District of Logan Lake

**SCHEDULE "A"**

**DISTRICT OF LOGAN LAKE  
CONSOLIDATED FINANCIAL PLAN 2024 to 2028**

**SCHEDULE "A"**

**DISTRICT OF LOGAN LAKE  
CONSOLIDATED FINANCIAL PLAN**

**2024-2028**

<b>REVENUES</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Property Value Taxes</b>					
Municipal Property Taxes	3,850,800	3,927,800	4,006,300	4,086,400	4,168,100
Grants-In-Lieu of Taxes	623,300	629,500	635,700	642,000	648,400
<b>Parcel Taxes</b>	342,100	343,800	345,500	347,200	348,900
<b>Fees</b>	1,007,300	1,022,400	1,037,700	1,053,200	1,068,900
<b>Other Sources</b>	88,500	89,300	90,100	91,000	91,900
Transfers From Other Governments	4,768,700	435,800	439,600	443,400	447,300
<b>Proceeds From Borrowing</b>	0	0	0	0	0
<b>Transfers Between Funds</b>					
Reserve Funds	372,900	0	840,000	125,000	0
Development Cost Charges	0	0	0	0	0
Accumulated Surplus	3,818,900	758,700	508,800	502,600	495,800
<b>Total Revenues</b>	<b>14,872,500</b>	<b>7,207,300</b>	<b>7,903,700</b>	<b>7,290,800</b>	<b>7,269,300</b>
<b>EXPENDITURES</b>					
<b>Municipal Purposes</b>					
General Government Services	2,130,000	2,018,900	2,049,100	2,079,800	2,110,900
Protective Services	914,500	442,000	448,600	455,300	462,100
Public Works/Transportation Services	1,283,600	903,300	916,800	930,500	944,400
Environmental Health Services	224,500	227,800	231,200	234,600	238,100
Development Services	414,500	100,900	102,400	103,900	105,400
Recreation and Cultural Services	2,284,300	1,635,100	1,659,600	1,684,400	1,709,600
Water Operations	289,200	293,500	297,900	302,300	306,800
Sewer Operations	152,000	154,200	156,500	158,800	161,100
<b>Municipal Debt</b>					
Debt Principal	216,600	216,600	0	0	0
Debt Interest	55,900	28,000	0	0	0
<b>Capital Purposes</b>	5,619,000	750,000	1,590,000	875,000	750,000
<b>Transfers Between Funds</b>					
Reserve Funds	1,114,800	307,000	311,600	316,200	320,900
Accumulated Surplus	173,600	130,000	140,000	150,000	160,000
<b>Amortization</b>	957,000	959,300	961,600	964,000	966,400
<b>Deduct Non-Cash Items</b>	-957,000	-959,300	-961,600	-964,000	-966,400
<b>Total Expenditures</b>	<b>14,872,500</b>	<b>7,207,300</b>	<b>7,903,700</b>	<b>7,290,800</b>	<b>7,269,300</b>
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**2024-2028 Financial Plan  
Statement of Objectives and Policies  
Schedule "B" of Bylaw No. 926, 2024**

In accordance with Section 165(3.1) of the *Community Charter*, the District of Logan Lake 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 property classes; and
3. The use of permissive tax exemptions.

**Distribution of Property Taxes**

***Objective***

It is the objective of Council to encourage economic development initiatives designed to attract and diversify more commercial enterprises to invest in our community. New investment will strengthen commercial tax revenue while making provision for future infrastructure and service needs with minimal taxation adjustments to other classes of property.

***Policies***

Council sets tax rates to maintain tax stability between property classes. Property class multiples are reviewed annually to ensure the burden of tax among property classes remains fair and equitable during market value changes. The District will factor in the use of non-market growth in the assessment roll due to new construction and development to assist in new revenue to balance the overall financial plan.

The District will conduct regular reviews and comparisons of the tax burden relative to other BC municipalities and its neighbors to ensure a competitive tax structure and rates.

- The amount of taxes proposed to be collected from the residential class (class 1) in 2024 will be adjusted to meet the amount of revenue required to provide municipal services to the levels prescribed by Council less other revenue sources;
- The utility class (class 2) tax rate must not exceed the greater of \$40 for each \$1,000 of assessed value, and 2.5 times the rate applicable to the business/other class (class 6) for general municipal purposes as per provincial regulation. The class 2 rate will be set annually by Council up to the maximum rate as permitted under current legislation;
- The supportive housing class (class 3) tax rate will be calculated as a multiplier of the residential rate. The 2024 multiplier is 1.0:1;
- The major industry class (class 4) tax rate will be established as per the Municipal Taxation Limitations in the Supplementary Letters Patent for the District of Logan Lake;
- The light industry class (class 5) tax rate will be calculated as a multiplier of the residential rate based on the provincial class multiples. The 2024 multiplier is 3.4:1;
- The business/other class (class 6) taxes will increase the same percentage as the residential class for municipal purposes;
- The managed forest land (class 7) tax rate will be calculated as a multiplier of the residential rate. The 2024 multiplier is 1.0:1;
- The recreation/non-profit class (class 8) tax rate will be calculated as a multiplier of the residential rate. The 2024 multiplier is 1.0:1;
- The farm class (class 9) tax rate will be calculated as a multiplier of the residential rate based on the provincial class multiples. The 2024 multiplier is 1.0:1.

Table one provides the distribution of property tax revenue among the property classes. The practice of Council has been to set tax rates that achieve fairness and equity of all District taxpayers and to provide a stable and competitive business environment.

Property Class	% Property Value Tax	Dollar Value
Residential (1)	21%	\$812,800
Utilities (2)	8%	\$314,500
Supportive Housing (3)	0%	\$0
Major Industry (4)	69%	\$2,636,200
Light Industry (5)	0%	\$0
Business / Other (6)	2%	\$87,200
Managed Forest Land (7)	0%	\$0
Recreational Property / Non-Profit (8)	0%	\$0
Farm (9)	0%	\$100
<b>Total</b>	<b>100%</b>	<b>\$3,850,800</b>

**Permissive Tax Exemptions**

***Objective***

The District will continue to provide permissive tax exemptions to non-profit organizations within the community which further Council’s objectives of enhancing quality of life (economic, social and cultural) and delivering services economically.

Pursuant to Section 226 of the *Community Charter*, the District of Logan Lake has established a Revitalization Tax Exemption Program. The objectives of the Revitalization Tax Exemption Program are to encourage new investment in Logan Lake’s Industrial Park, in the developed area of Logan Lake’s commercial core and in undeveloped land within Logan Lake’s commercial core. Encouraging new investment in these areas is intended to create economic activity in Logan Lake that will provide jobs for local residents and will provide incentives for new residents to move to Logan Lake. The Program is intended to accomplish these objectives by providing tax relief to property owners who undertake a significant development within revitalization areas.

***Policies***

The total amount of revenue to be foregone by permissive tax exemptions will be set by Council annually according to the District’s Tax Exemption Policy and approval of the District of Logan Lake Tax Exemption Bylaw and Revitalization Tax Exemption Program Bylaw.

The 2022 Annual Report 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 that permissive exemptions are granted to not for profit institutions that form a valuable part of our community. These include religious institutions, historical societies, some recreational facilities, service organizations and cultural institutions.

**Funding Sources**

***Objective***

Over the next five years, the District will continue to evaluate the proportion of revenue that is received from user fees and charges to ensure that proper user fees are being collected and apportioned fairly to those who are using the service and to lessen the burden on the property tax base.

***Policies***

- The District will first determine the amount of revenue required to provide all the municipal services to our residents;

- The District will then determine the amount of revenue (other than municipal property taxes) we can expect to receive through fees and charges, unconditional and conditional grants, investment income, etc.;
- The difference between the budgeted expenditures and other revenue represents the amount of property tax revenue the District must collect to provide the services to the levels prescribed by Council;
- Other revenue sources will be reviewed annually during the financial planning process to determine appropriate levels to fund the expenditures in each respective "Fund".

Table two shows the proportion of total revenue proposed to be raised from each funding source in 2024. Property value taxes form the greatest proportion of the revenue of the municipality. It provides a stable and consistent source of revenue for many services that are difficult or undesirable to fund on a user-pay basis. Many municipal services, such as water distribution, wastewater collection, and solid waste / recycling removal and disposal can be measured and charged for on a user-pay basis. This basis attempts to fairly apportion the value of a municipal service to those who make use of it.

<b>Revenue Source</b>	<b>% Total Revenue</b>	<b>Dollar Value</b>
Property Value Taxes	42%	\$4,474,100
Parcel Taxes	3%	\$342,100
Fees	9%	\$1,007,300
Other Sources	46%	\$4,857,200
Proceeds from Borrowing	0%	\$0
<b>Total</b>	<b>100%</b>	<b>\$10,680,700</b>

