



EXPLANATORY NOTE

BYLAW No. 3308

In 2025, the five-year financial plan includes \$76.5 million in operating expenditures and a further \$16 million in capital expenditures. Approximately 75% of the operating expenditures are funded through property taxes and utility charges billed at the end of May each year.

The 2025 Financial Plan currently has a gap of \$1,772,530 between total revenues and planned expenditures which equates to a 4.3% increase in property taxes to balance the budget. This budget includes the funding required to continue the same services provided in the prior year.

In addition to the bylaw as presented, Council has the option to consider amending the 2025 Financial Plan to include any changes they deem appropriate and also consider the addition of Service Level Enhancements which will potentially impact the 4.3% property tax increase.

Factors Affecting the Financial Plan

Council and Community Priorities

The City's draft budget and service delivery for 2025 are guided by established Council priorities along with community feedback received throughout the year and other public consultations.

Overall, the draft budget reflects the City's ongoing focus to get the basics right, planning for and providing core municipal services (such as roads, utilities and other infrastructure, safety and recreation) that matter to residents and businesses.

External Factors

Major external factors that impact on our financial plan include:

- Increased costs based on contract negotiations, including CUPE representing civic workers and IAFF representing firefighters;
- Rising costs from the RCMP contract including increases in the federally negotiated collective agreement, additional equipment, and overall cost increases due to inflation;
- Increased costs from other external service providers such as Fraser Valley Regional Library and Metro Vancouver water, sewer and waste services;
- Inflation and escalating costs for supplies and contracted services for both operating and capital projects.

Reducing the Property Tax Burden

As we develop and review the Financial Plan, we strive to minimize taxpayer impact and ensure good stewardship of City funds. This process included a line-by-line review of proposed expenditures and revenues, deferral of non-critical items, implementing appropriate fees & charges, selective use of reserves, and leveraging of regional, provincial and federal grant funding.

Financial Impact

The impact of a 4.3% property tax increase affects each class, or type of property, differently depending on how the individual property assessments have changed. To adjust for market value shifts the City can adjust tax rates for each property class, however the Province only allows municipalities to have one tax rate for all residential class properties. In 2025 the assessed value of single family homes decreased 0.10% whereas strata (multi-family homes) have decreased 0.81%, therefore when the overall tax rate increase of 4.3% is applied, it has a larger impact on single family homes.

In addition to property taxes, utility fees are also charged to our property owners. Utility rate increases were approved by City Council in December 2024. The total impact on average properties is presented below.

Strata (Multi-family) Homes

This is our largest class of properties and includes **7,703** properties. Properties in this class include Condominiums, Townhouses and Multi-plex homes. An average home valued at **\$580,434**, consuming an average amount of utilities, will experience a **\$131.82** increase in annual municipal property taxes and utility fees, this works out to **\$10.98** per month.

	Annual Fee	Annual Change	Monthly Change	% Change
Municipal Taxes	\$ 1,322.58	\$ 44.42	\$ 3.70	3.47%
Water (City)	\$ 244.06	\$ 6.29	\$ 0.52	2.65%
Water (MV)	\$ 190.04	\$ 12.71	\$ 1.06	7.17%
Total Water	\$ 434.10	\$ 19.00	\$ 1.58	4.58%
Sewer (City)	\$ 144.49	\$ -8.12	\$ -0.68	-5.32%
Sewer (MV)	\$ 275.55	\$ 76.52	\$ 6.38	38.45%
Total Sewer	\$ 420.04	\$ 68.40	\$ 5.70	19.45%
TOTAL	\$ 2,176.72	\$ 131.82	\$ 10.98	6.45%

Single Family Homes

This is our second largest class of properties and includes **3,226** properties. Properties in this class include single detached homes located on their own lot. An average home valued at **\$1,369,059**, consuming an average amount of utilities, will experience a **\$397.80** increase in annual municipal property taxes and utility fees, this works out to **\$33.15** per month.

	Annual Fee	Annual Change	Monthly Change	% Change
Municipal Taxes	\$ 3,119.53	\$ 126.00	\$ 10.50	4.21%
Water (City)	\$ 368.63	\$ 10.92	\$ 0.91	3.05%
Water (MV)	\$ 330.07	\$ 22.08	\$ 1.84	7.17%
Total Water	\$ 698.70	\$ 33.00	\$ 2.75	4.96%
Sewer (City)	\$ 231.95	\$ -9.13	\$ -0.76	-3.79%
Sewer (MV)	\$ 442.33	\$ 127.93	\$ 10.66	40.69%
Total Sewer	\$ 674.28	\$ 118.80	\$ 9.90	21.39%
Solid Waste (City)	\$ 330.00	\$ 118.25	\$ 9.85	55.84%
Solid Waste (MV)	\$ 61.00	\$ 1.75	\$ 0.15	2.95%
Total Solid Waste	\$ 391.00	\$ 120.00	\$ 10.00	44.28%
TOTAL	\$ 4,883.51	\$ 397.80	\$ 33.15	8.87%

Business & Light Industrial Properties

In addition to residential properties, the City collect approximately 47% of annual property taxes from properties classified as Business (**638** properties) and Light Industrial (**79** properties).

These properties are presented without including utilities as the use at individual properties can greatly vary. For instance, a business may simply have a single washroom for staff or may use 100,000 litres of water a day for production purposes.

Assessment Classification	Average Assessed Value	Municipal Taxes	Annual Change	Monthly Change	% Change
Business/Other	\$ 4,810,192	\$ 27,598	\$ 980	\$ 81.70	3.68%
Light Industrial	\$ 7,229,108	\$ 31,103	\$ 1,102	\$ 91.80	3.67%

Service Level Enhancements Under Consideration

As part of the 2025 Financial Plan City Council may consider adding additional service level enhancements which will further increase property taxation in addition to the base 4.3% taxation increase.

The general theme of these enhancements is to support the growth of our community and strengthen our internal organization capacity, rather than introducing new services to the community at this time. The proposed changes focus on enhancing existing operations and providing crucial support through additional positions, ensuring we are well-equipped to meet the demands of a growing municipality.

The following list are the Service Level Enhancements under consideration and their associated cost and taxation impact.

<u>Service Level Enhancements</u>	<u>Taxation Impact</u>		
Prior Council Motions			
Fire Rescue (2 Firefighters)	\$	350,000	0.8%
RCMP (2 Members)	\$	540,000	1.3%
New Service Level Enhancements			
Administration (Committee Clerk)	\$	92,500	0.2%
Financial Services (IT Technician)	\$	99,500	0.2%
Financial Services (Business Systems Analyst)	\$	90,000	0.2%
General (Infrastructure Funding)	\$	418,000	1.0%
Recreation (Recreation Programmer)	\$	89,000	0.2%
Administration (HR Position)	\$	115,500	0.3%
Recreation (Supervisor of Facilities)	\$	143,600	0.3%
Fire Rescue (Assistant Chief)	\$	191,500	0.5%
Recreation (Pool Season Extension)	\$	7,000 - 68,240	0.1-0.2%



2025 – 2029 FINANCIAL PLAN

BYLAW No. 3308

A Bylaw to adopt the Financial Plan for 2025 - 2029.

WHEREAS Section 165 Community Charter provides that a Council must have a Financial Plan that is adopted annually, by bylaw, before the annual property tax bylaw is adopted;

AND WHEREAS the City has undertaken a process of public consultation prior to the adoption of the Financial Plan;

NOW THEREFORE, the Council of the City of Langley, in open meeting assembled, enacts as follows:

1) Title

- 1.1 This Bylaw shall be cited for all purposes as the "Financial Plan 2025 – 2029 Bylaw, 2025, No. 3308."

2) Schedules

- 2.1 Schedule "A", attached hereto and forming part of the Bylaw, is adopted as the Financial Plan of the City of Langley for the period 2025 - 2029.
- 2.2 Schedule "B", attached hereto and forming part of the Bylaw, is adopted as the Capital Improvement Plan of the City of Langley for the period 2025 – 2034.
- 2.3 Schedule "C", attached hereto and forming part of the Bylaw, is adopted as the "Financial Plan Objectives and Policies" of the City of Langley for the period 2025 – 2029.

3) Severability

3.1 If a portion of this Bylaw is found invalid by the court, it will be severed, and the remainder of the Bylaw will remain in effect.

READ A FIRST AND SECOND TIME this day of , 2025.

STATUTORY NOTICE PROVIDED this day of , 2025.

AN OPPORTUNITY FOR PUBLIC COMMENT PROVIDED this day of , 2025.

READ A THIRD TIME this day of , 2025.

FINALLY ADOPTED this day of , 2025.

MAYOR

CORPORATE OFFICER

Schedule "A"

CONSOLIDATED FINANCIAL PLAN SUMMARY								
	2023 Actual	2024 Budget	2024 YTD	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
Consolidated Revenues								
Property Value Taxes	\$ 37,414,169	\$ 41,744,555	\$ 41,630,691	\$ 43,753,530	\$ 47,413,150	\$ 50,166,410	\$ 54,478,950	\$ 55,829,170
Fees and Charges	15,289,033	16,647,250	16,541,401	19,332,410	20,182,630	20,968,040	21,822,500	22,584,310
Revenue Other Services	15,810,346	13,023,365	12,448,776	13,460,510	13,059,220	13,057,890	13,056,520	13,055,110
	68,513,548	71,415,170	70,620,868	76,546,450	80,655,000	84,192,340	89,357,970	91,468,590
Consolidated Expenditures								
General Government Services	6,177,990	6,887,080	6,955,916	7,804,130	7,976,300	8,154,160	8,337,880	8,527,640
Policing Service	15,748,489	17,445,290	9,636,988	18,631,800	19,316,760	20,035,950	20,791,100	21,583,980
Fire Rescue Service	5,915,785	7,377,140	5,763,743	7,568,750	7,760,630	7,958,390	8,162,010	8,371,690
Other Protective Services	807,468	986,835	830,968	1,087,960	1,096,570	1,105,450	1,114,580	1,123,970
Engineering and Operations	3,554,899	4,089,085	3,864,075	4,244,890	4,332,170	4,422,100	4,514,730	4,610,160
Development Services	1,745,328	1,921,300	1,691,060	2,046,770	2,092,950	2,136,170	2,182,870	2,230,990
Solid Waste	815,521	888,660	855,803	1,250,960	1,251,670	1,252,400	1,253,150	1,253,920
Recreation	4,747,118	5,359,230	4,611,446	5,508,800	5,653,960	5,803,410	5,957,400	6,116,000
Parks	2,527,617	2,857,205	2,796,816	2,860,760	2,914,000	2,968,860	3,025,310	3,083,460
Sewer & Drainage	3,296,413	4,311,580	3,761,410	5,703,170	5,925,950	6,314,690	6,774,210	7,211,020
Water	4,485,502	4,814,120	4,531,500	5,277,610	5,686,370	5,885,870	6,075,400	6,186,430
Interest	196,230	245,400	213,796	181,400	181,400	181,400	181,400	181,400
Amortization	6,377,562	6,400,000	-	7,000,000	7,100,000	7,200,000	7,300,000	7,400,000
	56,395,922	63,582,925	45,513,521	69,167,000	71,288,730	73,418,850	75,670,040	77,880,660
Excess of revenue over expenditure	12,117,626	7,832,245	25,107,347	7,379,450	9,366,270	10,773,490	13,687,930	13,587,930
Add:								
Transfer from Reserve Accounts	744,019	927,565	629,484	927,570	927,570	927,570	927,570	927,570
Transfer from Statutory Reserves	-	-	-	-	-	-	-	-
Transfer from General Surplus	-	-	-	-	-	-	-	-
Transfer from Equity	6,377,562	6,400,000	-	7,000,000	7,100,000	7,200,000	7,300,000	7,400,000
	7,121,581	7,327,565	629,484	7,927,570	8,027,570	8,127,570	8,227,570	8,327,570
Deduct:								
Debt Servicing	670,248	1,949,180	670,248	1,775,170	3,861,990	5,369,210	8,383,650	8,383,650
Transfer to Reserve Accounts	13,748,893	10,714,480	7,997,721	10,975,700	10,975,700	10,975,700	10,975,700	10,975,700
Transfer to Statutory Reserves	5,000,562	2,496,150	2,230,665	2,556,150	2,556,150	2,556,150	2,556,150	2,556,150
	19,419,703	15,159,810	10,898,634	15,307,020	17,393,840	18,901,060	21,915,500	21,915,500
Surplus (Deficit)	\$ (180,496)	\$ -	\$ 14,838,197	\$ -	\$ -	\$ -	\$ -	\$ -

Schedule "B"

CAPITAL IMPROVEMENT PLAN - SUMMARY

Capital Projects	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
General Government	933,955	361,680	95,000	305,000	95,000	245,000	270,000	165,000	285,000	265,000
Protective Services	260,000	30,886,440	31,196,440	12,050,000	50,000	50,000	50,000	50,000	50,000	50,000
Engineering Operations	5,467,000	10,527,000	5,465,000	38,957,045	6,935,000	3,275,000	5,709,000	3,935,000	4,720,000	6,061,505
Parks	385,375	1,690,000	1,977,500	3,693,700	2,164,155	10,150,000	377,500	1,487,500	2,957,090	6,348,690
Recreation	483,280	125,000	50,000	50,000	30,000	50,000	30,000	50,000	30,000	30,000
Sewer & Drainage Utility	4,540,150	3,478,380	1,000,000	1,000,000	1,000,000	2,394,475	1,000,000	1,000,000	2,540,113	1,000,000
Water Utility	4,193,540	3,586,000	2,876,045	2,613,150	1,250,000	1,785,795	2,824,365	1,000,000	1,000,000	1,000,000
Total Projects	16,263,300	50,654,500	42,659,985	58,668,895	11,524,155	17,950,270	10,260,865	7,687,500	11,582,203	14,755,195
Available funding										
Capital Works Reserve	1,838,715	1,769,048	876,500	2,165,647	1,239,805	1,270,540	1,558,659	1,743,352	1,371,308	1,115,679
Casino Revenues	6,800,255	6,607,435	5,568,435	9,007,435	5,307,435	1,207,435	3,727,435	1,707,435	4,207,435	7,300,000
Community Amenity Funds	405,570	389,177	1,108,750	340,000	-	40,000	-	40,000	-	-
Community Works (Gas Tax)	157,060	157,060	163,340	163,340	163,340	163,340	163,340	163,340	163,340	163,340
DCC's	2,794,875	6,574,708	2,057,289	4,136,178	2,177,360	12,780,425	1,999,989	1,539,868	2,833,992	3,736,086
Fire Department Equipment	-	-	-	-	-	-	-	-	-	-
Future Police Cost Reserve	-	181,440	181,440	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Grants	1,042,500	1,964,500	10,000,000	-	-	-	-	-	500,000	-
Growing Community Fund	-	-	-	-	-	-	-	-	-	-
Machinery Replacement	497,000	770,000	440,000	596,000	430,000	230,000	530,000	230,000	230,000	230,000
Major P&R Reserve	46,000									
Municipal Road Network Reserve	210,000	-	-	-	-	-	-	-	-	-
Office Equipment	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Parks & Recreation	303,280	202,497	217,971	174,065	123,715	180,000	200,700	183,505	181,725	130,090
Prosperity Fund	-	-	-	-	-	-	-	-	-	-
Sewer Future Capital	1,053,045	992,635	1,000,000	1,000,000	1,000,000	990,670	1,000,000	1,000,000	1,014,403	1,000,000
Special Bond Reserve	-	-	-	-	-	-	-	-	-	-
Water Future Capital	1,070,000	1,001,000	1,001,260	1,006,230	1,002,500	1,007,860	1,000,742	1,000,000	1,000,000	1,000,000
Total Funding	16,263,300	20,654,500	22,659,985	18,668,895	11,524,155	17,950,270	10,260,865	7,687,500	11,582,203	14,755,195
Project Specific Borrowing	-	30,000,000	20,000,000	40,000,000	-	-	-	-	-	-
Unfunded Projects	-	-	-	-	-	-	-	-	-	-
Debt Require to Fund Projects	-	30,000,000	20,000,000	40,000,000	-	-	-	-	-	-



FINANCIAL PLAN 2025 – 2029

BYLAW NO. 3308

Schedule 'C'

Financial Plan Objectives and Policies

In accordance with Section 165(3.1) of the Community Charter, the City of Langley 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

1) Funding Sources

The following table shows the proportion of total revenue to be raised from each funding source in 2025.

Revenue Source	% of Total Revenues	Dollar Value
Property tax revenue	57.16%	\$43,753,530
Grants in lieu of taxes	0.77%	585,320
User fees & other revenue	26.64%	20,394,290
Gaming proceeds	9.80%	7,500,000
Government transfers	3.07%	2,351,310
Investment earnings	2.56%	1,962,000
Total	100.00%	\$76,546,450

Property taxes form the greatest proportion of revenues. As a revenue source, property taxation is efficient to administer and understandable for the residents. It is a stable and reliable source of revenue to fund core services like general administration, police services, fire services, bylaw enforcement, and street lighting which would be difficult to fund on a user pay basis. Properties held by government organization which are exempt from taxation grant the City funds in lieu of property taxation.

User fees & other revenue form the second largest portion of the revenues. Water and sewer usage are billed based on the water meter consumption. Building permit, business licenses and sale of services are also on a user pay basis which attempts to apportion the value of the services provided to those who use the service.

Casino proceeds are used primarily to fund capital infrastructure renewal.

Objective

To maintain the property value tax proportion to the same proportion that it is currently.

Policies

The City will review all user fee levels to ensure they are adequately meeting both the capital and delivery costs of the services.

2) Distribution of Property Tax Rates

The following table outlines the distribution of property taxes among the property tax classes.

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	52.0%	\$22,747,953
Utilities (2)	0.8%	367,325
Light Industrial (5)	6.5%	2,820,163
Business & Other (6)	40.3%	17,653,615
Recreation / Non-Profit (8)	0.4%	164,474
Total	100.0%	\$43,753,530

The residential property tax class provides the largest proportion of property tax revenue which is consistent with most other jurisdictions.

Objective

To maintain the 1:3 maximum ratio between the residential and business class properties. The taxable assessed values of business properties increased disproportionately compared to residential properties, this required a deviation from previous ratio in order to not over burden business and light industrial property owners. The ratio in 2025 will be 1:2.518 between the residential and business class and 1:1.805 between the residential and light industrial class.

Policies

Continue where possible to supplement the revenues from user fees and charges to help offset the burden on the entire property tax base. Maintain the ratio of the residential to business class close to the average ratio in Metro Vancouver.

3) Permissive Tax Exemption

The City has an existing permissive tax exemption policy which guides the administration and approval of permissive tax exemptions every year.

Objective

The City will continue to support those organizations that have received a permissive tax exemption in the past and review new applications as they arise.

Policies

The City adopted a new permissive tax exemption bylaw in the Fall of 2024. The City also adopted a revitalization tax exemption to support the efforts identified in the Downtown Master Plan.