

A SPECIAL MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
AGENDA
6:00 P.M.

Tuesday, May 11, 2021

This meeting will be held electronically as per Ministerial Order No. M192

Pages

1. **ACKNOWLEDGEMENT AND CALL TO ORDER**

The Town of Ladysmith acknowledges with gratitude that this meeting takes place on the traditional, unceded territory of the Stz'uminus First Nation.

Residents are encouraged to "virtually" attend the meeting by registering here:

https://zoom.us/webinar/register/WN_53NXS_O8Ra-Dvfcbh4KjKg

Instructions on how to join the meeting will be sent immediately after you register.

View the livestream on YouTube:

<https://www.youtube.com/channel/UCH3qHAExLiW8YrSuJk5R3uA/featured>.

2. **AGENDA APPROVAL**

Recommendation

That Council approve the agenda for this Special Meeting of Council for May 11, 2021.

3. **BYLAWS**

3.1. **"Financial Plan Bylaw 2021, No. 2072"**

3

To adopt a five-year Financial Plan for the Town of Ladysmith, as required under the *Community Charter*.

Recommendation

That Council adopt "Financial Plan Bylaw 2021, No. 2072".

3.2. "Tax Rates Bylaw 2021, No. 2073" 9

To set the property tax rates for 2021 in accordance with the 2021 to 2025 Financial Plan.

Recommendation

That Council adopt "Tax Rates Bylaw 2021, No. 2073".

3.3. "Water Parcel Tax Bylaw 2021, No. 2074" 13

To establish a water parcel tax rate for property parcels in the Town of Ladysmith.

Recommendation

That Council adopt "Water Parcel Tax Bylaw 2021, No. 2074".

3.4. "Sewer Parcel Tax Bylaw 2021, No. 2075" 15

To establish a sewer parcel tax rate for property parcels in the Town of Ladysmith.

Recommendation

That Council adopt "Sewer Parcel Tax Bylaw 2021, No. 2075".

4. ADJOURNMENT

TOWN OF LADYSMITH

BYLAW NO. 2072

A bylaw establishing the Financial Plan for the years 2021-2025

The Council of the Town of Ladysmith in open meeting assembled enacts as follows:

Administration

1. Schedule "A" attached hereto and made part of the bylaw is hereby adopted and shall be the Financial Plan for the Town of Ladysmith for the five years ending December 31, 2025.
2. Schedule "B" attached hereto and made part of the bylaw is hereby adopted and shall be the statement of objectives and policies for the Town of Ladysmith for the five years ending December 31, 2025.

Repeal

3. The "Town of Ladysmith Financial Plan Bylaw 2020, No. 2036" in its entirety is hereby repealed.

Citation

4. This bylaw may be cited for all purposes as "Financial Plan Bylaw 2021, No. 2072".

READ A FIRST TIME on the	4 th	day of	May,	2021
READ A SECOND TIME on the	4 th	day of	May,	2021
READ A THIRD TIME on the	4 th	day of	May,	2021
ADOPTED on the		day of		2021

Mayor (A. Stone)

Corporate Officer (D. Smith)

SCHEDULE “A”

2021 – 2025 Financial Plan

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES:					
Revenue From Property Tax Values	8,920,626	9,334,950	9,626,991	9,851,599	10,648,629
Revenue From Grants In Lieu	163,080	165,752	165,806	165,832	165,859
Revenue From Parcel Taxes	3,077,480	3,111,382	3,151,832	3,168,012	3,184,192
Revenue From Fees & Charges	4,929,712	5,242,428	5,258,742	5,300,394	5,343,141
Revenue From Other Sources	30,633,699	1,314,938	967,108	1,457,108	1,419,908
	<u>47,724,597</u>	<u>19,169,450</u>	<u>19,170,479</u>	<u>19,942,945</u>	<u>20,761,729</u>
EXPENSES:					
General Operating Expense	11,571,193	11,411,104	11,663,633	11,862,720	12,067,417
Sanitary Sewer Operating Expenses	1,919,929	1,624,237	1,651,931	1,680,157	1,708,929
Water Operating Expenses	2,292,921	1,813,679	1,842,749	1,872,355	1,902,510
Interest Payments	643,609	643,609	649,609	659,609	949,609
Amortization	3,872,923	3,950,381	4,029,389	3,646,612	3,719,544
	<u>27,424,022</u>	<u>(273,560)</u>	<u>(666,832)</u>	<u>221,492</u>	<u>413,720</u>
Annual Surplus/Deficit					
Add back:					
Amortization	3,872,923	3,950,381	4,029,389	3,646,612	3,719,544
Capital Expenditures					
General Capital	19,252,839	4,607,012	2,159,700	11,980,404	2,411,200
Sanitary Sewer Capital	905,915	2,503,000	410,000	1,440,000	580,000
Water Capital	24,409,031	905,000	610,000	890,000	1,070,000
Proceeds from New Debt	(6,200,000)	(1,150,000)	0	(10,400,000)	(30,000)
Principal Payments	989,107	989,107	1,961,622	1,000,107	1,302,467
Transfers from Reserves	(2,668,639)	(2,630,562)	(459,397)	(117,750)	(738,679)
Transfer to (from) Own Funds	(5,391,308)	(1,546,736)	(1,319,368)	(924,657)	(461,724)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financial Plan Balance					

SCHEDULE "B"

Town of Ladysmith 2021 – 2025 Financial Plan Statement of Objectives and Policies

In accordance with the *Community Charter* [SBC 2003] Chapter 26 as amended, the Town of Ladysmith (Town) 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 the *Community Charter* [SBC 2003] Chapter 26 as amended,;
2. The distribution of property taxes among the property classes, and
3. The use of permissive tax exemptions.

Funding Sources

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2021. Council currently has no specific policy surrounding the proportion of total revenue to come from each funding source. Property taxes form the greatest proportion of revenue. As a revenue source, property taxation offers a number of advantages, for example, it is simple to administer and it is fairly easy for residents to understand. It offers a stable and reliable source of revenue for services that are difficult or undesirable to fund on a user-pay basis. These include services such as general administration, fire protection, police services, bylaw enforcement and street lighting.

User fees and charges form a large portion of planned revenue. Many services can be measured and charged on a user-pay basis. Services where fees and charges can be easily administered include water and sewer usage, building permits, business licenses, and sale of services - these are charged on a user-pay basis. User fees attempt to apportion the value of a service to those who use the service.

Objective

- The Town will increase the proportion of revenue that is received from user fees and charges until the fees and charges more closely meet the costs incurred to provide the services.

Policies

- The Town will review all user fee levels to ensure they are adequately meeting both the capital and delivery costs of the service.
- Water and Sanitary Sewer Rates will be reviewed to ensure that appropriate user fees are charged, rather than taxation, to lessen the burden on its limited property tax base.
- Borrowing will be considered when a capital project will provide benefits to taxpayers over a long period.

- Pursuant to Council’s direction, the Town will build a reserve to fund major capital projects. A minimum of 10% prior year’s municipal tax levy will be transferred to General Capital projects.

Table 1: Sources of Revenue

Revenue Source	Dollar (\$)	Percent (%)
Property value taxes	8,920,626	14%
Grants in Lieu	163,080	0%
Parcel Taxes	3,077,480	5%
User fees & charges	4,929,712	8%
Other Sources	2,347,579	4%
Borrowing	6,200,000	10%
Grants	28,286,120	45%
DCCs & Reserves	2,668,639	4%
Own Funds	6,395,566	10%

Distribution of Property Tax Rates

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes the majority of Town services.

Objectives

- The amount of taxes to be collected from each of the classes will be reviewed each year.

Policies

- Supplement, where possible, revenues from user fees and charges to help to offset the burden on the entire property tax base.
- Continue to maintain and encourage economic development initiatives designed to attract more light industry, retail and commercial businesses to invest in the community.
- Align the distribution of tax rates among the property classes with the social and economic goals of the community, particularly to encourage economic and environmental sustainability opportunities.
- Regularly review and compare the Town’s distributions of tax burden relative to other municipalities in British Columbia.

Table 2: Distribution of 2021 Property Tax Rates

Property Class	2021
	% of Total Property Taxation
Residential (1)	73.01%
Utilities (2)	0.54%
Supportive Housing (3)	0.00%
Major Industry (4)	11.83%
Light Industry (5)	0.86%
Business and Other (6)	13.51%
Managed Forest Land (7)	0.00%
Recreation/Non-profit (8)	0.24%
Farmland (9)	0.01%
Total	100.00%

Permissive Tax Exemptions

The Town provides permissive tax exemptions. The Permissive Tax Exemption Bylaws 2020, No. 2052 and No. 2053, adopted on October 20, 2020 and as amended, contain a list of properties exempt from taxation for 2021. Some of the eligibility criteria for permissive tax exemptions include the following:

- The tax exemption must demonstrate benefit to the community and residents of the Town by enhancing the quality of life (economically, socially and culturally) within the community.
- The goals, policies and principles of the organization receiving the exemption must not be inconsistent or in conflict with those of the Town.
- The organization receiving the exemption must be a registered non-profit society, as the support of the municipality will not be used for commercial and private gain.
- Permissive tax exemptions will be considered in conjunction with:
 - (a) other assistance being provided by the Town;
 - (b) the potential demands for Town services or infrastructure arising from the property; and
 - (c) the amount of revenue that the Town will lose if the exemption is granted.

Objective

- The Town will continue to provide permissive tax exemptions to some non-profit societies. The Town has also expanded its offering of permissive tax exemptions to include revitalization tax exemptions. It also intends to offer permissive tax exemptions targeted at green development for the purposes of encouraging development that will meet our *Climate Action Charter* commitments.

Policies

- Continue the use of the revitalization tax exemption for economic revitalization in order to encourage the commercial and industrial redevelopment of specific areas.

Table 3: Utilization of Reserves, Development Cost Charges and Surplus for 2021

Source	% of Total	Dollar Value
Development Cost Charges - Roads	8%	750,120
Development Cost Charges - Parks	3%	268,125
Development Cost Charges - Sewer	1%	83,375
Development Cost Charges - Water	1%	81,000
Cemetery Care Fund	0%	1,950
Gas Tax Funds	16%	1,486,019
Carry-forward reserve	40%	3,629,417
Safe-restart funds	3%	267,088
Surplus & Appropriated Equity	17%	1,540,575
Real Property Reserve	11%	958,486
Total		\$9,066,155

TOWN OF LADYSMITH

BYLAW NO. 2073

**A Bylaw for the levying of rates for
Municipal, Library, Hospital and Regional District purposes for the year 2021**

The Council of the Town of Ladysmith in open meeting assembled enacts as follows:

1. Definitions

In this Bylaw, the following words, terms or phrases shall have the respective meaning assigned to them:

“City Hall”	means the Town of Ladysmith City Hall located at 410 Esplanade, Ladysmith, BC with a mailing address of Box 220, Ladysmith BC V9G1A2.
“Collector”	means the person duly appointed as such from time to time by Council, and their designate.
“Alternative Municipal Tax Collection Scheme”	means the scheme for the payment of taxes established under sections 3, 4, and 5.2 of this bylaw.

2. Tax Rates

The following rates are hereby imposed and levied for the year 2021:

- 2.1 For lawful general purposes of the Town of Ladysmith on the value of land and improvements taxable for general municipal purposes, the tax rates shown in column ‘A’ of Schedule “A”, attached to and forming part of this Bylaw;
- 2.2 For lawful general purposes of the Town of Ladysmith on the value of land and improvements taxable for Library purposes, the tax rates shown in column ‘B’ of Schedule “A”, attached to and forming part of this Bylaw;
- 2.3 For purposes of the Cowichan Valley Regional District on the value of land and improvements taxable for Regional Hospital District purposes, the tax rates shown in column ‘C’ of Schedule “A”, attached to and forming part of this Bylaw; and
- 2.4 For purposes of the Cowichan Valley Regional Hospital District on the value of land and improvements taxable for Regional Hospital District purposes, the tax rates shown in column ‘D’ of Schedule “A”, attached to and forming part of this Bylaw.

3. Alternative Municipal Tax Collection Scheme

- 3.1 Unless section 3.3 applies, the rates and taxes imposed under this Bylaw are due and shall be paid on or before the 2nd day of July, 2021.
- 3.2 An owner may elect to pay the rates and taxes imposed under this Bylaw in accordance with the Alternative Municipal Tax Collection Scheme by providing written notice of that election to the Collector at their office at City Hall, Ladysmith, BC on or before the 15th day of June, 2021.
- 3.3 An owner may elect to pay the rates and taxes imposed under this Bylaw in accordance with the General Tax Collection scheme established in the *Community Charter* [SBC 2003] Chapter 26 as amended, by providing written notice of that election to the Collector at their office at City Hall, Ladysmith, BC on or before the 15th day of June, 2021.
- 3.4 If an owner does not make an election under Section 3.2 or 3.3, the Alternative Municipal Tax Collection Scheme applies to the rate and taxes payable by that owner.

4. Penalties – Alternative Municipal Tax Collection Scheme

- 4.1 Upon the 3rd day of July, 2021, or as soon thereafter as is practicable, the Collector shall add to the unpaid balance of the current year's taxes two (2) percent of the amount unpaid as of the 2nd day of July, 2021.
- 4.2 Upon the 16th day of September, 2021, or as soon thereafter as is practicable, the Collector shall add to the unpaid balance of the current year's taxes an additional eight (8) percent of the amount unpaid as of the 15th day of September, 2021.

5. Supplementary Tax Rolls

- 5.1 Upon receipt of a Supplementary Tax Roll from BC Assessment, the Collector shall levy taxes in accordance with the rates specified in Schedule "A" of the Bylaw according to the taxable values as shown on the Supplementary Tax Rolls.
- 5.2 For each Supplementary Tax Roll, where the Alternative Municipal Tax Collection Scheme applies, the Collector shall add penalties to the unpaid amounts as follows:
 - a) Where Supplementary Tax Notices are sent before the 1st day of June, 2021, penalties shall be added as set out in Section 4 of this Bylaw.
 - b) Where Supplementary Tax Notices are sent on or after the 13th day of August, 2021, ten (10) percent shall be added on any amount unpaid after thirty (30) days.

Citation

6. This Bylaw may be cited for all purposes as "Tax Rates Bylaw 2021, No. 2073".

READ A FIRST TIME on the 4th day of May, 2021

READ A SECOND TIME on the 4th day of May, 2021

READ A THIRD TIME on the 4th day of May, 2021

ADOPTED on the day of May, 2021

Mayor (A. Stone)

Corporate Officer (D. Smith)

SCHEDULE "A"
"Tax Rates Bylaw 2021, No.2073"

Tax Rates (Dollars of Tax per \$1,000 Net Taxable Value)

PROPERTY CLASS		<u>A</u> General Municipal	<u>B</u> Library	<u>C</u> Cowichan Valley Regional District	<u>D</u> Cowichan Valley Regional Hospital District
1	Residential	3.6068	0.1722	0.7640	0.4838
2	Utilities	28.6466	1.3674	2.6740	1.6933
3	Supportive Housing	3.6068	0.1722	0.7640	0.4838
4	Major Industry	90.3175	4.3112	2.5976	1.6448
5	Light Industry	11.2285	0.5360	2.5976	1.6448
6	Business/Other	11.4588	0.5470	1.8718	1.1853
7	Managed Forest	28.3497	1.3533	2.2920	1.4514
8	Rec Non Profit	2.0745	0.0990	0.7640	0.4838
9	Farm	34.1497	1.6301	0.7640	0.4838

TOWN OF LADYSMITH

BYLAW NO. 2074

A Bylaw to impose a water parcel tax on owners of land in the Town of Ladysmith

The Council of the Town of Ladysmith in open meeting assembled enacts as follows:

Definitions

1. In this Bylaw, the following words or terms shall have the respective meaning assigned to them:

"Parcel" means any lot, block or other area of land in which real property is held, or into which it is subdivided, as identified in the 2021 Revised Assessment Roll and all amendments thereto.

"Group of Parcels" means where a building or improvement is constructed over more than one parcel of land, those parcels, if contiguous, may be dealt with by the Assessor as one parcel and be assessed accordingly.

Levy

2. A parcel tax shall be levied annually against each parcel or group of parcels of land within the Town of Ladysmith which is capable of being connected to the water system of the Town, or which is deemed to abut on the said water system.
3. The annual water parcel tax shall be in the amount of Four Hundred and Fifty Nine Dollars (\$459.00) per parcel or group of parcels.
4. The water parcel tax imposed by this bylaw on each parcel of land shall be shown by the Collector on the real property tax roll, and the payment of the parcel tax shall be made in the same manner, on or before the same dates, as other real property taxes.
5. The water parcel tax shall have the same rights and remedies as other real property taxes
6. Every parcel tax assessment roll and every revision thereof shall be considered and dealt with by a Parcel Tax Roll Review Panel appointed pursuant to the provisions of the *Community Charter* [SBC 2003] Chapter 26, as amended.

Repeal

7. "Water Parcel Tax Bylaw 2020, No. 2038" is hereby repealed.

Citation

8. This bylaw may be cited as "Water Parcel Tax Bylaw 2021, No. 2074".

READ A FIRST TIME on the 4th day of May, 2021

READ A SECOND TIME on the 4th day of May, 2021

READ A THIRD TIME on the 4th day of May, 2021

ADOPTED on the day of 2021

Mayor (A. Stone)

Corporate Officer (D. Smith)

TOWN OF LADYSMITH

BYLAW NO. 2075

A Bylaw to impose a sewer parcel tax on owners of land in the Town of Ladysmith

The Council of the Town of Ladysmith in open meeting assembled enacts as follows:

Definitions

1. In this Bylaw, the following words or terms shall have the respective meaning assigned to them:

"Parcel" Means any lot, block or other area of land in which real property is held, or into which it is subdivided, as identified in the 2021 Revised Assessment Roll and all amendments thereto.

"Group of Parcels" Means where a building or improvement is constructed over more than one parcel of land, those parcels, if contiguous, may be dealt with by the Assessor as one parcel and be assessed accordingly.

Levy

2. A parcel tax shall be levied annually against each parcel or group of parcels of land within the Town of Ladysmith which is capable of being connected to the sewer system of the Town, or which is deemed to abut on the said sewer system.
3. The annual sewer parcel tax shall be in the amount of Three Hundred Fifty Dollars (\$350.00) per parcel or group of parcels.
4. The sewer parcel tax imposed by this bylaw on each parcel of land shall be shown by the Collector on the real property tax roll, and the payment of the parcel tax shall be made in the same manner, on or before the same dates, as other real property taxes.
5. The sewer parcel tax shall have the same rights and remedies as other real property taxes
6. Every parcel tax assessment roll and every revision thereof shall be considered and dealt with by a Parcel Tax Roll Review Panel appointed pursuant to the provisions of the *Community Charter* [SBC 2003] Chapter 26, as amended.

Repeal

7. "Sewer Parcel Tax Bylaw 2020, No. 2039" is hereby repealed.

Citation

8. This bylaw may be cited as "Sewer Parcel Tax Bylaw 2021, No. 2075".

READ A FIRST TIME on the	4 th	day of	May, 2021
READ A SECOND TIME on the	4 th	day of	May, 2021
READ A THIRD TIME on the	4 th	day of	May, 2021
ADOPTED on the		day of	2021

Mayor (A. Stone)

Corporate Officer (D. Smith)