



Circular No. 15:02
ARCS File #: 195-20
February 10, 2015

To: All Municipal and Regional District Corporate and Financial Administrators

Re: Timelines and Supporting Information Necessary for Bylaw Review

Bylaws that are sent to the Ministry of Community, Sport and Cultural Development are reviewed by staff before they are forwarded for an approval decision by the Inspector of Municipalities. Most common among these are loan authorization bylaws and service establishment bylaws.

In addition to ensuring that bylaws meet the statutory requirements of the *Community Charter* (CC) and the *Local Government Act* (LGA), certain information is required in order for staff to complete their review, and, when this information is provided as part of the submission, the review process is more efficient and timely.

This circular summarizes the most common information required, in addition to the bylaw itself, for the review and approval of these bylaws. Administrators are reminded however, that additional supporting documentation may be required for more complex circumstances, to support the review process. If a bylaw is expected to be complex, consultation with Ministry staff early in the approval process is recommended.

Loan Authorization Bylaws

- **Financial Plan:** Evidence that the project is or will be included in the adopted five-year financial plan. This includes both capital and operating costs, where appropriate.
- **Funding Sources:** Specify sources of funding to be used for financing the project including taxes, fees, and grants. Confirmation of grant approval is helpful.
- **Capital Budget:** A capital budget that shows engineering and contingency costs have been considered.
- **Cost recovery:** If the cost recovery options proposed include property taxation, indicate the method of taxation that will be used; either property value or parcel tax. The tax impact on an average residential property or the impact as a rate per \$1,000 of assessment should be included. If this borrowing will result in a substantial tax impact to properties in any class provide information on consultation that has been undertaken.
- **Reports:** Provide any staff or consultant reports that provide background information.
- **Assessment Breakdown:** If the project is to be paid for by a local area service of a municipality or a regional district service area which contains a portion of an electoral area or municipality, the assessed values of the properties in the proposed service area, broken down by property class and including the number of occurrences in each class.
- **Method of Elector Approval:** The method of elector approval to be undertaken should be clearly outlined. If elector approval is required Inspector approval must be obtained prior to getting elector approval. If elector approval is not required please specify why it is not required and provide supporting documentation.

Additional Requirement for Municipal Loan Authorizations

- **Liability Servicing Limit Certificate:** Lines “a” and “c” should contain information from the most recent, Ministry approved LGDE form B3. This information is located on the Ministry’s website at: http://www.cscd.gov.bc.ca/lgd/infra/statistics_index.htm, under the heading “Municipal Statistics.” The certificate contains areas to enter new and discharged debt since the end of the relevant fiscal year.



Regional Districts: Service Establishment Bylaws

- **Financial Plan:** Evidence that the service is or will be included in the adopted five-year financial plan.
- **Operating Budget:** A budget of the anticipated revenues and expenditures for the service for the next five years. This is especially important when the service will have a large operating component, like a recreation centre. The budget should specify the methods to be used for initial financing and ongoing cost recovery for the service.
- **Capital Budget:** If the service will include a large capital component, a separate capital budget that shows that engineering and contingency costs have been considered.
- **Consultation:** If this service will result in a substantial tax impact to properties in any class provide information on any consultation that has been undertaken.
- **Assessment Breakdown:** The assessed values of the properties in the proposed service area by property class and the number of occurrences in each class. This is crucial when the service area is a portion of an electoral area or municipality.
- **Cost recovery:** If the methods of cost recovery include property taxation, specify the method of taxation that will be used; either property value or parcel tax.
- **Requisition limit:** An indication of the calculation used to arrive at the requisition limit. If both a rate per \$1,000 of assessment and a maximum dollar limit are provided for, the calculations must initially be equivalent. Please note that a requisition limit specified by a rate per \$1,000 must be based on the net taxable value of land and improvements (i.e. cannot be based on improvements only), as per S. 800.1(1)(e) of the LGA.
- **Method of Elector Approval:** The method of elector approval to be undertaken should be clearly outlined. If elector approval is required Inspector approval must be obtained prior to getting elector approval. If elector approval is not required please specify why it is not required and provide the supporting documentation.
- **Reports:** Staff or consultant reports that provide background information.

Please keep in mind that processing time, when all supporting information is received, averages between 4 and 6 weeks. To ensure the quickest possible processing time, please email a signed, certified copy of the bylaw at third reading, along with all required supporting information to: LGgovernance@gov.bc.ca. Alternately you can mail 2 signed, certified, copies of the bylaw at third reading, along with supporting information to:

PO Box 9838 Stn Prov Govt
800 Johnson St, 4th Floor
Victoria, BC V8W 9T1

Please share this information with staff involved in the bylaw submission process. If you have any questions regarding these requirements please contact your Financial Officer at 250-387-4060 or your Advisory Officer at 250-387-4020.

Regards,

Karyn Scott
Deputy Inspector of Municipalities