

CITY OF PRINCE GEORGE

BYLAW NO. 8561

A bylaw to enact the 2014 to 2018 Operating and Capital Financial Plans for the City of Prince George.

WHEREAS, pursuant to section 165 of the *Community Charter*, a five year operating and capital financial plan must be adopted by bylaw for the years 2014 to 2018;

NOW THEREFORE, the Council of the City of Prince George, in open meeting assembled, **ENACTS AS FOLLOWS:**

1. Schedule 1 which is attached hereto, and made part of this bylaw sets out the objectives and policies of the municipality with respect to funding sources, distribution of property value taxes and the use of permissive tax exemptions.
2. Schedules 2 and 3 which are attached hereto, and made part of this bylaw, set out the proposed expenditures, funding sources and the transfers to or between funds.
3. That the Mayor and Corporate Officer are hereby empowered to do all things necessary to give effect to this bylaw.
4. This bylaw may be cited for all purposes as "City of Prince George 5 - year Operating and Capital Financial Plans Bylaw No. 8561, 2014".

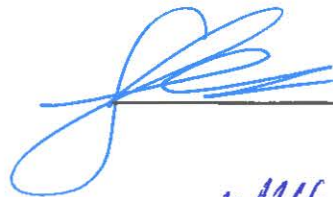
READ A FIRST TIME THIS THE 28th DAY OF April , 2014.

READ A SECOND TIME THIS THE 28th DAY OF April , 2014.

READ A THIRD TIME THIS THE 28th DAY OF April , 2014.

All three readings passed by a majority decision of Members of City Council present and eligible to vote.

ADOPTED THIS THE 12th DAY OF May , 2014, BY A UNANIMOUS DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.



MAYOR



Deputy CORPORATE OFFICER



Schedule 1 to Bylaw No. 8561, 2014

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement	Gen
Property Value Taxes	45.69%	Maintain revenue from property value taxes (including grants in lieu) at 30-50 percent of overall revenues.	\$ 90,062,351
Parcel Taxes	0.68%	Set parcel tax revenue to recover specific servicing costs.	1,332,085
Fees	23.75%	Review fees and charges annually, ensure users pay for specific identifiable services.	46,826,087
Other Sources	13.91%	Review other sources of funds annually, seek grant revenues.	27,426,087
Proceeds from Borrowing	2.41%	Use debenture funding for infrastructure expansion and major asset maintenance.	4,748,359
Reserve Funding	13.56%	Allocate funding from reserves for capital programs and major asset maintenance.	26,734,517
	<u>100.00%</u>		<u>\$ 197,129,486</u>

Property Value Taxes	Proportion of Total	Objective and Policy Statement
Residential	54.02%	The property tax structure is reviewed annually by the Standing Committee on Finance and Audit and a tax rate option is approved by Council. For 2014 the structure has been recommended to achieve the following objectives: - set representative home tax increase to be 2.5% - set utility rate to the maximum allowed under BC Reg 329/96 - obtain the remaining tax revenue required by equally increasing the other tax class rates.
Utility	1.44%	
Supportive Housing	0.00%	
Major Industry	12.80%	
Light Industry	3.19%	
Business	28.50%	
Recreation/Non-Profit	0.06%	
Farm	0.01%	
	<u>100%</u>	

Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,358,699	- A permissive tax exemption is a means for Council to support organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically.
Revitalization Exemptions	\$ 326,087	- Council may consider revitalization tax exemptions as a way of encouraging development to achieve a range of revitalization objectives such as environmental, economic or social. Revitalization tax exemption programs are enacted by Bylaw considered in conjunction with the goals and objectives of the financial plan. - The Downtown Revitalization Tax Exemption Bylaws were enacted in 2005/2011 to foster the revitalization of the central business district (C1) as the primary area in the City for business, cultural, and government activity.

		<u>Consolidated Financial Plans</u> <u>Financial Plans 2014 to 2018</u>				
		2014	2015	2016	2017	2018
Objects/descriptions						
Revenues						
S001	Taxation and grants in lieu, net (1)	\$ (90,062,351)	\$ (91,515,963)	\$ (90,915,618)	\$ (92,427,467)	\$ (93,967,436)
S002	Parcel and frontage tax	(1,332,085)	(1,332,207)	(1,332,332)	(1,332,462)	(1,332,592)
S003	Sale of Services, user rates and rentals	(46,826,087)	(50,733,270)	(52,128,882)	(53,077,013)	(53,168,300)
S004	Return on Investments	(1,641,543)	(1,807,621)	(1,521,292)	(1,289,783)	(1,155,809)
from capital total only						
	DCC contributions	(288,000)	(76,000)	(882,400)	(18,000)	(40,000)
S006	Contribution from other gov'ts & agencies	(8,047,520)	(8,047,680)	(8,047,843)	(8,048,009)	(8,048,179)
S007/S056	Other revenue	(17,449,024)	(17,564,076)	(17,588,447)	(17,550,187)	(17,556,338)
Total revenues before other gov't collections		(165,646,610)	(171,076,217)	(172,416,814)	(173,742,921)	(175,263,654)
S008	Collections for other gov'ts & associations	(42,533,700)	(42,533,700)	(42,533,700)	(42,533,700)	(42,533,700)
Total revenues including other gov't collections		\$ (208,180,310)	\$ (213,609,917)	\$ (214,950,514)	\$ (216,276,621)	\$ (217,797,354)
Expenditures						
S009	General government services	\$ 16,336,665	\$ 16,829,448	\$ 16,832,500	\$ 17,102,684	\$ 17,305,599
S010	Protective services	39,518,677	40,417,347	41,357,261	42,338,275	43,355,903
S011	Planning & environmental development	2,286,173	1,981,289	2,017,104	2,053,637	2,090,900
S012	Road transportation	20,078,343	20,042,610	20,244,608	20,254,545	20,332,851
S013	Public transit	4,349,787	4,349,871	4,349,956	4,350,045	4,350,135
DE51	Downtown district energy system	269,283	375,665	446,203	462,774	479,770
SEW1	Sewer	4,802,195	4,807,665	5,271,884	4,972,890	5,065,716
WAT1	Water	4,858,401	4,901,887	4,981,745	5,063,238	5,146,356
S016	Environmental health	3,090,923	3,075,569	2,660,696	2,746,220	2,832,143
S017	Public health	433,883	439,880	445,997	452,236	458,599
S018	Recreation & cultural services	20,605,861	21,160,129	20,872,910	20,942,403	21,107,603
S019	Other	319,249	325,826	332,600	389,578	399,578
	Debt charges interest	7,130,450	7,752,423	7,304,594	6,975,837	6,633,004
S021	Fiscal services miscellaneous	2,800,269	2,800,269	2,800,269	2,800,269	2,800,269
S022	Amortization	16,440,000	16,440,000	16,440,000	16,440,000	16,440,000
Total Expenditures before other gov't payments		143,900,159	143,699,873	146,358,327	147,294,631	148,738,426
Collections for other gov'ts & associations		42,533,700	42,533,700	42,533,700	42,533,700	42,533,700
Total expenditures after other gov't payments		\$ 186,433,859	\$ 186,233,573	\$ 188,892,027	\$ 189,828,331	\$ 191,272,126
Annual (Surplus)/Loss		\$ (22,346,451)	\$ (25,376,339)	\$ (26,058,487)	\$ (26,448,290)	\$ (26,525,228)
Capital expenditures		29,973,376	29,534,545	35,613,050	32,018,821	30,210,442
Transfer - amortization		(16,440,000)	(16,440,000)	(16,440,000)	(16,440,000)	(16,440,000)
S057	Proceeds from borrowing	(4,748,359)	(5,523,545)	(10,277,050)	(8,981,821)	(10,040,442)
Principal payment on debt		9,481,581	10,487,831	9,959,156	9,727,749	9,791,155
Transfers for capital - (Schedule 3)		(21,790,759)	(20,545,742)	(21,912,342)	(20,072,742)	(17,588,742)
Transfers between reserves - (Schedule 3)		-	-	-	-	-
Transfers for operating - (Schedule 3)		26,357,614	28,930,469	28,924,472	30,387,184	30,160,561
Transfer to/from deferred revenues		(685,571)	(1,340,872)	148,329	(256,671)	148,329
Transfer to/from surplus		198,569	273,653	42,872	65,770	283,925
Financial Plan Balance		\$ -	\$ -	\$ -	\$ -	\$ -

[1] 2014 General Municipal Tax Levy is included at \$72,321,774, the snow levy at \$5,800,000, the road rehabilitation levy at \$4,981,742, the 2013 Canada Winter Games facilities levy at \$2,061,884, and general infrastructure reinvestment levy at \$1,334,842 for a combined total of \$86,720,242. 2014 general tax levy increase is 2.50% after taking into consideration \$1,050K in new construction assessable items.

		<u>Consolidated Financial Plans</u> <u>Financial Plans 2014 to 2018</u>				
		2014	2015	2016	2017	2018
Objects/descriptions	Transfers for capital					
S023	2015 Canada Winter Games facilities reserve	\$ (1,501,017)	\$ -	\$ -	\$ -	\$ -
S024	Infrastructure reinvestment reserve	(373,000)	(1,128,000)	(2,187,000)	(2,268,000)	(703,000)
S025	Capital expenditure reserve	(12,538,000)	(13,016,000)	(11,900,600)	(11,943,000)	(11,304,000)
S058	Land development reserve	-	(230,000)	(1,938,000)	-	-
S027	Computer reserve	(860,000)	(1,190,000)	(905,000)	(880,000)	(600,000)
S028	Endowment reserve	-	-	-	-	-
S029	Local area service reserve	-	-	-	-	-
S032	Off-street parking reserve	(1,183,000)	-	-	-	-
S041	Regulated reserves for future expenditures	(410,000)	-	-	-	-
S034	Road rehabilitation reserve	(4,981,742)	(4,981,742)	(4,981,742)	(4,981,742)	(4,981,742)
S037	Storm sewer reserve	-	-	-	-	-
S052	Transfer from Operating	56,000	-	-	-	-
	Subtotal transfers for capital (reserves)	<u>(21,790,759)</u>	<u>(20,545,742)</u>	<u>(21,912,342)</u>	<u>(20,072,742)</u>	<u>(17,588,742)</u>
	Deferred revenue					
S044	Community works reserve	(3,014,258)	(3,443,258)	(2,559,258)	(2,964,258)	(2,559,258)
	Total transfers for capital	<u>\$ (24,805,017)</u>	<u>\$ (23,989,000)</u>	<u>\$ (24,471,600)</u>	<u>\$ (23,037,000)</u>	<u>\$ (20,148,000)</u>
	Transfers for operating					
S023	2015 Canada Winter Games facilities reserve	\$ 2,136,404	\$ 2,211,894	\$ -	\$ -	\$ -
S024	Infrastructure reinvestment reserve	1,104,382	1,011,842	1,162,842	1,322,842	1,372,842
S025	Capital expenditure reserve	11,122,000	15,033,000	16,295,000	18,040,000	17,770,000
S026	Capital expenditure reserve	2,690,000	2,940,000	3,190,000	3,410,000	3,410,000
S027	Computer reserve	(166,092)	(179,772)	(80,000)	(125,000)	(105,000)
S028	Endowment reserve	2,882,834	2,928,592	2,982,728	2,982,159	2,981,039
S029	Local Improvement reserve	108,921	-	-	-	-
S030	Mobile equipment reserve	582,091	(745,703)	(783,630)	(921,486)	(706,462)
S031	Mobile equipment reserve	332,657	332,657	816,392	473,573	346,860
S032	Off-street parking reserve	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
S034	Road rehabilitation reserve	4,981,742	4,981,742	4,981,742	4,981,742	4,981,742
S035	Snow reserve	5,800,000	5,800,000	5,800,000	5,800,000	5,800,000
S036	Snow reserve	(5,800,000)	(5,800,000)	(5,800,000)	(5,800,000)	(5,800,000)
S037	Storm sewer reserve	(44,000)	-	-	-	-
S038	Southwest sector reserve	-	-	-	-	-
S039	Fortis BC reserve	5,066,989	4,940,552	4,830,114	4,711,677	4,593,239
S040	Fortis BC reserve	(5,474,714)	(5,484,464)	(5,484,464)	(5,484,464)	(5,484,464)
	Other	1,054,400	972,133	1,033,748	1,016,141	1,020,785
	Subtotal transfers for operating (reserves)	<u>26,357,614</u>	<u>28,930,469</u>	<u>28,824,472</u>	<u>30,387,184</u>	<u>30,160,561</u>
	Deferred revenues					
S043	Deferred revenue	2,557,587	2,102,386	2,707,587	2,707,587	2,707,587
S044	Community works reserve	(228,900)	-	-	-	-
S045	Community works reserve	-	-	-	-	-
S051	Regulated reserves for future expenditures	-	-	-	-	-
	Total transfers for operating	<u>\$ 28,686,301</u>	<u>\$ 31,032,855</u>	<u>\$ 31,632,059</u>	<u>\$ 33,094,771</u>	<u>\$ 32,868,148</u>
	Capital expenditures					
	General	\$ 18,841,376	\$ 17,577,545	\$ 25,291,050	\$ 22,523,821	\$ 21,500,442
	Downtown district energy	-	-	-	-	-
	Sewer	7,190,000	5,500,000	5,480,000	3,515,000	6,650,000
	Water	3,942,000	6,457,000	4,842,000	5,980,000	2,060,000
	Total capital expenditures	<u>\$ 29,973,376</u>	<u>\$ 29,534,545</u>	<u>\$ 35,613,050</u>	<u>\$ 32,018,821</u>	<u>\$ 30,210,442</u>
	Transfers between reserves					
Input	Capital expenditure reserve	\$ 763,908	\$ 672,528	\$ 1,309,600	\$ 1,512,000	\$ 1,814,500
	Endowment reserve	(115,000)	(117,300)	(119,600)	(122,000)	(124,500)
	Computer reserve	1,026,092	1,369,772	985,000	1,005,000	705,000
	Gaming reserve	(1,675,000)	(1,925,000)	(2,175,000)	(2,395,000)	(2,395,000)
	Land development reserve	0	0	0	0	0
	Total transfers between reserves	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>