

**CITY OF PRINCE GEORGE**

**BYLAW NO. 8502**

**A Bylaw to enact the 2013 to 2017 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 2013 to 2017;

**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. 8502, 2013".

READ A FIRST TIME THIS THE       **6th** DAY OF       **MAY**       , **2013**.

READ A SECOND TIME THIS THE       **6th** DAY OF       **MAY**       , **2013**.

READ A THIRD TIME THIS THE       **6th** DAY OF       **MAY**       , **2013**.

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

ADOPTED THIS THE       **13th** DAY OF       **MAY** , **2013**, BY A **UNANIMOUS** DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.

  
\_\_\_\_\_  
A/ MAYOR

  
\_\_\_\_\_  
CORPORATE OFFICER

**Objectives and Policies - Municipal Revenues and Expenditures**

<b>Revenue</b>	<b>Proportion of Total</b>	<b>Objective and Policy Statement</b>
Property Value Taxes	41.43%	Maintain revenue from property value taxes (including GIL) at 30-50 percent of overall revenues
Parcel Taxes	0.50%	Parcel tax revenue set to recover specific servicing costs
Fees	20.60%	Review fees and charges annually, ensure users pay for specific identifiable services
Other Sources	16.91%	Review other sources of funds annually, seek grant revenue sources of funding
Proceeds from Borrowing	8.98%	Use debenture funding for purpose of infrastructure expansion and major asset maintenance
Reserve Funding	<u>11.58%</u>	Allocate funding from reserves for capital programs and major asset maintenance
	<u><u>100.00%</u></u>	

<b>Property Value Taxes</b>	<b>Distribution</b>	<b>Objective and Policy Statement</b>
Residential	54.22%	The structure of property tax rates are reviewed annually by the Finance and Audit Committee and recommendations are brought to Council for approval.
Utility	1.40%	
Supportive Housing	0.00%	For 2013 the structure has been recommended to achieve the following objectives:
Major Industry	12.66%	- set representative home to be a 3.5% increase
Light Industry	3.63%	- set utility rate to maximum allowed under BC Reg 329/96
Business	28.01%	- decrease major industry. The goal is to be at the provincial average by 2019
Recreation/Non-Profit	0.06%	- all other classes to share remaining increase burden equally
Farm	<u>0.01%</u>	
	<u><u>100%</u></u>	

<b>Permissive Tax Exemptions</b>	<b>Value</b>	<b>Objective and Policy Statement</b>
Permissive Exemptions	\$ 1,197,611	<ul style="list-style-type: none"> <li>- 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.</li> <li>- The value of permissive tax exemptions granted to buildings for public worship and nonprofit organizations will not exceed 1.5% of the annual municipal levy requisition.</li> </ul>
Revitalization Exemptions	\$ 155,390	<ul style="list-style-type: none"> <li>- 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 and will be reviewed in the Annual Financial Plan.</li> <li>- The Downtown Revitalization Tax Exemption Bylaw was enacted in 2005 to foster the revitalization of the central business district (C1) as the primary area in the City for business, cultural and government activity.</li> </ul>

**Consolidated Financial Plans  
Financial Plans 2013 to 2017**

	2013	2014	2015	2016	2017
<b>Revenues</b>					
Taxation and grants in lieu, net (1)	\$ (87,043,724)	\$ (88,470,798)	\$ (89,926,414)	\$ (89,329,258)	\$ (90,843,681)
Parcel and frontage tax	(1,048,213)	(1,048,213)	(1,048,213)	(1,048,213)	(1,048,213)
Sale of Services, user rates and rentals	(43,274,243)	(45,925,874)	(50,215,561)	(51,278,134)	(52,353,568)
Return on investments	(1,956,806)	(2,027,924)	(1,977,767)	(1,378,762)	(1,148,119)
DCC contributions	(64,040)	(70,000)	(76,000)	(806,400)	(18,000)
Contribution from other gov'ts & agencies	(8,473,185)	(5,516,820)	(5,516,820)	(5,516,820)	(5,516,820)
Other revenue	(25,036,879)	(16,302,234)	(16,469,392)	(16,537,916)	(16,572,908)
<b>Total revenues before other gov't collections</b>	<b>(166,897,090)</b>	<b>(159,361,863)</b>	<b>(165,230,167)</b>	<b>(165,895,503)</b>	<b>(167,501,309)</b>
Collections for other gov'ts & associations	(40,822,000)	(40,822,000)	(40,822,000)	(40,822,000)	(40,822,000)
<b>Total revenues including other gov't collections</b>	<b>\$ (207,719,090)</b>	<b>\$ (200,183,863)</b>	<b>\$ (206,052,167)</b>	<b>\$ (206,717,503)</b>	<b>\$ (208,323,309)</b>
<b>Expenditures</b>					
General government services	\$ 17,299,152	\$ 17,129,929	\$ 16,614,090	\$ 16,797,528	\$ 16,855,718
Protective services	38,053,420	39,706,998	40,780,232	41,782,364	42,689,824
Planning & environmental development	1,841,635	1,685,531	1,685,531	1,685,531	1,685,531
Road transportation	18,343,231	18,810,454	18,760,731	18,831,347	18,769,847
Public transit	3,745,579	3,745,579	3,745,579	3,745,579	3,745,579
Downtown district energy system	253,403	262,403	356,643	374,151	394,090
Sewer	4,915,840	5,184,070	4,869,066	5,235,839	5,039,466
Water	4,945,471	4,879,221	4,932,425	5,026,822	5,099,358
Environmental health	3,566,145	3,275,398	3,335,970	3,397,995	3,461,491
Public health	427,623	427,623	427,623	427,623	427,623
Recreation & cultural services	19,988,526	20,442,649	20,926,939	20,325,336	20,316,238
Other	300,000	300,000	300,000	300,000	300,000
Debt charges interest	7,405,342	7,905,770	7,671,189	7,060,171	6,701,245
Fiscal services miscellaneous	2,592,542	2,592,542	2,592,542	2,592,542	2,592,542
Amortization	14,916,872	14,916,872	14,916,872	14,916,872	14,916,872
<b>Total Expenditures before other gov't payments</b>	<b>138,594,781</b>	<b>141,265,039</b>	<b>141,915,432</b>	<b>142,499,700</b>	<b>142,995,424</b>
Collections for other gov'ts & associations	40,822,000	40,822,000	40,822,000	40,822,000	40,822,000
<b>Total expenditures after other gov't payments</b>	<b>\$ 179,416,781</b>	<b>\$ 182,087,039</b>	<b>\$ 182,737,432</b>	<b>\$ 183,321,700</b>	<b>\$ 183,817,424</b>
<b>Annual (Surplus)/Loss</b>	<b>\$ (28,302,309)</b>	<b>\$ (18,096,824)</b>	<b>\$ (23,314,735)</b>	<b>\$ (23,395,803)</b>	<b>\$ (24,505,885)</b>
Capital expenditures	47,555,387	21,332,629	29,162,465	20,252,548	15,826,440
Transfer - amortization	(14,916,872)	(14,916,872)	(14,916,872)	(14,916,872)	(14,916,872)
Proceeds from borrowing	(18,871,767)	(3,927,866)	(3,273,719)	(6,028,802)	(4,257,694)
Principal payment on debt	11,220,235	11,458,741	11,721,650	10,753,149	10,600,256
Transfers for capital - (Schedule 3)	(17,223,665)	(16,429,763)	(25,866,746)	(13,471,346)	(11,568,746)
Transfers between reserves - (Schedule 3)	-	-	-	-	-
Transfers for operating - (Schedule 3)	19,203,455	21,796,550	26,230,557	26,378,373	27,924,851
Transfer to/from deferred revenues	1,251,816	(1,209,413)	(397,614)	207,587	207,587
Transfer to/from surplus	83,720	(7,182)	655,014	221,166	690,063
<b>Financial Plan Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(1) 2013 General Municipal Tax Levy is included at \$70,673,720, the snow levy at \$5,041,636, the road rehab levy of \$4,981,742, the 2015 winter games levy of \$2,081,884, and general infrastructure reinvestment levy of \$801,742 for a combined total of \$83,580,724. 2013 general tax levy increase was 3.50% after taking into consideration ~\$600k in new construction assessable taxes.

**Consolidated Financial Plans**  
**Financial Plans 2013 to 2017**

	2013	2014	2015	2016	2017
<b>Transfers for capital</b>					
2015 Canada winter games reserve	\$ (4,041,584)	\$ (1,051,017)	\$ -	\$ -	\$ -
Infrastructure reinvestment reserve	(550,000)	(293,000)	(613,000)	(628,000)	(732,000)
Capital expenditure reserve	(4,444,823)	(8,416,000)	(18,852,000)	(6,301,600)	(4,355,000)
Land development reserve	-	-	-	-	-
Computer reserve	(1,941,418)	(1,688,000)	(1,420,000)	(1,560,000)	(1,500,000)
Endowment reserve	(900,581)	-	-	-	-
Local area service reserve	(400,000)	-	-	-	-
Road rehabilitation reserve	(5,181,746)	(4,981,746)	(4,981,746)	(4,981,746)	(4,981,746)
Storm sewer reserve	(7,513)	-	-	-	-
<i>Deferred revenue reserve</i>					
Community works reserve	(735,571)	(975,000)	-	-	-
Transfer from Operating	244,000	-	-	-	-
<b>Total transfers for capital</b>	<b>\$ (17,959,236)</b>	<b>\$ (17,404,763)</b>	<b>\$ (25,866,746)</b>	<b>\$ (13,471,346)</b>	<b>\$ (11,568,746)</b>
<b>Transfers for operating</b>					
2015 Canada winter games reserve	\$ 2,211,884	\$ 2,211,884	\$ 2,211,884	\$ -	\$ -
Infrastructure reinvestment reserve	551,742	292,742	617,742	622,742	747,742
Capital expenditure reserve	7,583,920	10,936,000	15,365,500	16,181,000	17,278,000
Capital expenditure reserve	1,425,000	1,425,000	1,425,000	1,425,000	1,425,000
Computer reserve	(1,045,418)	(341,291)	(314,345)	(227,861)	(247,861)
Endowment reserve	3,145,325	2,849,412	2,818,678	2,654,481	2,616,342
Local improvement reserve	108,921	108,921	-	-	-
Mobile equipment reserve	35,722	(1,213,049)	(866,814)	224,309	580,460
Mobile equipment reserve	31,742	13,197	3,924	2,943	-
Off-Street parking reserve	(385,019)	(20,000)	(20,000)	(20,000)	(20,000)
Road rehabilitation reserve	5,181,742	4,981,742	4,981,742	4,981,742	4,981,742
Snow reserve	5,041,636	5,041,636	5,041,636	5,041,636	5,041,636
Snow reserve	(5,041,636)	(5,041,636)	(5,041,636)	(5,041,636)	(5,041,636)
Storm sewer reserve	(79,271)	-	-	-	-
Southwest sector reserve	-	-	-	-	-
Fortis BC reserve	5,244,646	5,126,208	5,007,771	4,889,333	4,770,896
Fortis BC reserve	(5,473,168)	(5,473,766)	(5,482,646)	(5,482,545)	(5,482,439)
RRFE reserves	-	-	-	-	-
Deferred revenue	(254,935)	57,587	(397,614)	207,587	207,587
<i>Deferred revenue reserves</i>					
Community works reserve	2,242,322	(292,000)	-	-	-
Community works reserve	-	-	-	-	-
RRFE reserves	-	-	-	-	-
Other	665,687	899,550	482,121	1,127,229	1,274,969
<b>Total transfers for operating</b>	<b>\$ 21,190,842</b>	<b>\$ 21,562,137</b>	<b>\$ 25,832,943</b>	<b>\$ 26,585,960</b>	<b>\$ 28,132,438</b>
<b>Capital expenditures</b>					
General	\$ 44,451,387	\$ 13,405,629	\$ 11,048,465	\$ 13,760,548	\$ 11,981,440
Downtown district energy	-	-	-	-	-
Sewer	1,100,000	4,435,000	8,940,000	4,735,000	2,840,000
Water	2,004,000	3,492,000	9,174,000	1,757,000	1,005,000
<b>Total capital expenditures</b>	<b>\$ 47,555,387</b>	<b>\$ 21,332,629</b>	<b>\$ 29,162,465</b>	<b>\$ 20,252,548</b>	<b>\$ 15,826,440</b>
<b>Transfers between reserves</b>					
Capital expenditure reserve	\$ 147,465	\$ 636,908	\$ 801,226	\$ 604,135	\$ 647,275
Endowment reserve	(200,000)	(203,000)	(206,045)	(209,135)	(212,275)
Computer reserve	1,477,535	1,894,092	1,599,819	1,655,000	1,615,000
Gaming reserve	(1,425,000)	(1,425,000)	(1,425,000)	(1,425,000)	(1,425,000)
Land Development Reserve	0	(903,000)	(770,000)	(625,000)	(625,000)
<b>Total transfers between reserves</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>