

CITY OF PRINCE GEORGE
BYLAW NO. 8863

A Bylaw to enact the 2017 to 2021 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 2017 to 2021;

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

1. Schedule 1, attached to and forming 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, attached to and forming 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. 8863, 2017".

READ A FIRST TIME THIS **24th** DAY OF **APRIL** ,2017.

READ A SECOND TIME THIS **24th** DAY OF **APRIL** ,2017.

READ A THIRD TIME THIS **24th** DAY OF **APRIL** ,2017.

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

ADOPTED THIS **26th** DAY OF **APRIL** ,2017,
BY A **UNANIMOUS** DECISION OF ALL MEMBERS OF
CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.



MAYOR



CORPORATE OFFICER



Schedule 1 to Bylaw No. 8863, 2017

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement
Property Value Taxes	42.44%	Maintain revenue from property value taxes (including grants in lieu) at 30-50 percent of overall revenues.
Fees	20.39%	Review fees and charges annually, ensure users pay for specific identifiable services.
Other Sources	10.55%	Review other sources of funds annually, seek grant revenues.
Proceeds from Borrowing	6.65%	Use debenture funding for infrastructure expansion and major asset maintenance.
Reserve Funding	19.96%	Allocate funding from reserves for capital programs and major asset maintenance.
	<u>100.00%</u>	
Property Value Taxes		
Property Value Taxes	Proportion of Total	Objective and Policy Statement
Residential	54.19%	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 2017 the structure has been recommended to achieve the following objectives: - set representative home tax increase to be 3.18% - 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	1.49%	
Supportive Housing	0.00%	
Major Industry	12.24%	
Light Industry	2.74%	
Business	29.27%	
Recreation/Non-Profit Farm	0.05%	
	<u>100%</u>	
Permissive Tax Exemptions		
Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,868,517	- 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	\$ 367,152	- 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.



Consolidated Financial Plans
Financial Plans 2017 to 2021

	2017	2018	2019	2020	2021
Revenues					
Taxation and grants in lieu, net (1)	\$ (105,336,452)	\$ (105,633,647)	\$ (106,513,562)	\$ (108,171,364)	\$ (109,371,081)
Parcel and frontage tax	(1,061,170)	(1,061,170)	(1,061,170)	(1,061,170)	(1,061,170)
Sale of Services, user rates and rentals	(51,105,596)	(50,996,036)	(50,886,535)	(50,777,098)	(50,667,723)
Return on investments	(2,841,221)	(2,909,480)	(3,013,133)	(3,357,699)	(3,729,823)
DCC contributions	(3,111,163)	(36,000)	(316,000)	(36,000)	(36,000)
Contribution from other gov'ts & agencies	(13,500,683)	(7,574,774)	(7,574,774)	(7,736,542)	(7,736,542)
Other revenue	(7,001,429)	(7,002,536)	(6,965,315)	(6,966,470)	(6,967,647)
Total revenues before other gov't collections	(183,957,714)	(175,213,643)	(176,330,489)	(178,106,343)	(179,569,986)
Collections for other gov'ts & associations	(44,185,100)	(44,185,100)	(44,185,100)	(44,185,100)	(44,185,100)
Total revenues including other gov't collections	\$ (228,142,814)	\$ (219,398,743)	\$ (220,515,589)	\$ (222,291,443)	\$ (223,755,086)
Expenditures					
General government services	\$ 15,799,096	\$ 15,745,615	\$ 15,786,200	\$ 15,997,333	\$ 16,202,581
Protective services	45,969,360	46,275,581	46,740,299	47,214,307	47,697,799
Planning & environmental development	2,962,806	2,746,009	2,797,047	2,849,106	2,902,208
Road transportation	19,995,583	19,563,645	19,802,118	19,943,371	20,087,439
Public transit	5,013,403	5,015,100	5,016,831	5,018,596	5,020,397
Downtown district energy system	393,548	338,361	360,807	363,279	364,200
Sewer	6,118,185	5,543,197	5,615,168	5,688,579	5,763,459
Water	5,968,250	5,816,522	5,627,118	5,694,026	5,772,273
Environmental health	2,404,399	2,423,484	2,441,933	2,385,748	2,404,941
Public health	461,221	468,516	475,956	483,546	491,288
Recreation & cultural services	22,498,990	21,710,187	21,945,069	22,184,646	22,429,011
Other	-	-	-	-	-
Debt charges interest	5,662,628	5,412,623	5,336,614	5,546,730	5,500,878
Fiscal services miscellaneous	2,126,622	2,120,622	2,120,622	2,120,622	2,120,622
Amortization	19,460,000	19,460,000	19,460,000	19,460,000	19,460,000
Total Expenditures before other gov't payments	154,834,091	152,639,462	153,525,782	154,949,889	156,217,096
Collections for other gov'ts & associations	44,185,100	44,185,100	44,185,100	44,185,100	44,185,100
Total expenditures after other gov't payments	\$ 199,019,191	\$ 196,824,562	\$ 197,710,882	\$ 199,134,989	\$ 200,402,196
Annual (Surplus)/Loss	\$ (29,123,623)	\$ (22,574,181)	\$ (22,804,707)	\$ (23,156,454)	\$ (23,352,890)
Capital expenditures	68,815,675	48,812,777	43,696,542	39,356,959	25,503,924
Transfer - amortization	(19,460,000)	(19,460,000)	(19,460,000)	(19,460,000)	(19,460,000)
Proceeds from borrowing	(16,671,170)	(18,743,894)	(23,013,921)	(22,913,965)	(6,831,246)
Principal payment on debt	10,709,348	11,162,322	11,494,559	12,334,534	12,961,952
Transfers for capital - (Schedule 3)	(39,993,379)	(27,417,883)	(18,591,621)	(14,831,994)	(17,061,678)
Transfers between reserves - (Schedule 3)	-	-	-	-	-
Transfers for operating - (Schedule 3)	25,576,774	27,015,685	26,666,708	26,234,230	25,943,512
Transfer to/from deferred revenues	(90,669)	995,364	1,835,364	2,197,132	2,197,132
Transfer to/from surplus	237,044	209,810	177,076	239,558	99,294
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -

(1) 2017 General Municipal Tax Levy is included at \$86,047,802, the snow levy at \$7,000,000, the road rehabilitation levy at \$5,000,000, and general infrastructure reinvestment levy at \$2,500,000 for a combined total of \$100,547,802. 2017 general tax levy increase is 3.18% after taking into consideration \$1,360,880 in new construction assessable taxes.



Consolidated Financial Plans
Financial Plans 2017 to 2021

	2017	2018	2019	2020	2021
Transfers for capital					
Infrastructure reinvestment reserve	\$ (4,050,450)	\$ (695,000)	\$ (350,000)	\$ (386,000)	\$ (350,000)
Capital expenditure reserve	(25,999,340)	(20,606,652)	(12,343,015)	(8,483,994)	(9,972,068)
Land development reserve	-	-	-	-	-
Computer reserve	(2,954,889)	(952,000)	(542,000)	(962,000)	(627,000)
Endowment reserve	(724,930)	-	-	-	-
Local area service reserve	-	-	-	-	-
Off-street parking reserve	(1,097,872)	-	-	-	-
Regulated reserves for future expenditures	(297,812)	(164,231)	(356,606)	-	(1,112,610)
Road rehabilitation reserve	(5,075,234)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Storm sewer reserve	-	-	-	-	-
Fleet transfers	174,648	-	-	-	-
Transfer from Operating	32,500	-	-	-	-
Subtotal transfers for capital (reserves)	(39,993,379)	(27,417,883)	(18,591,621)	(14,831,994)	(17,061,678)
<i>Deferred revenue</i>					
Deferred revenue	(3,318,941)	(2,615,000)	(1,775,000)	(1,575,000)	(1,575,000)
Community works reserve	-	-	-	-	-
Total transfers for capital	\$ (43,312,320)	\$ (30,032,883)	\$ (20,366,621)	\$ (16,406,994)	\$ (18,636,678)
Transfers for operating					
Infrastructure reinvestment reserve	\$ 1,796,295	\$ 2,320,000	\$ 2,199,200	\$ 2,199,200	\$ 2,199,200
Capital expenditure reserve	14,851,738	16,305,000	16,360,000	16,160,000	16,150,000
Capital expenditure reserve	-	-	-	-	-
Computer reserve	(224,342)	(160,000)	(75,000)	(80,000)	(75,000)
Endowment reserve	3,199,631	2,944,795	2,906,445	2,906,445	2,906,445
Local improvement reserve	-	-	-	-	-
Mobile equipment reserve	1,014,601	824,357	592,203	426,833	276,922
Mobile equipment reserve	-	-	-	-	-
Off-street parking reserve	(63,267)	-	-	-	-
Road rehabilitation reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Snow reserve	-	-	-	-	-
Snow reserve	-	-	-	-	-
Storm sewer reserve	(12,609)	-	-	-	-
Southwest sector reserve	-	-	-	-	-
Fortis BC reserve	(650,359)	(762,967)	(875,575)	(988,183)	(1,100,791)
Fortis BC reserve	-	-	-	-	-
Fleet transfers	18,682	-	-	-	-
RRFE reserves	778,908	760,823	742,374	798,559	779,366
Other	(132,504)	(216,323)	(182,939)	(188,624)	(192,630)
Subtotal transfers for operating (reserves)	25,576,774	27,015,685	26,666,708	26,234,230	25,943,512
<i>Deferred revenues</i>					
Deferred revenue	139,575	375,000	375,000	375,000	375,000
Community works reserve	3,088,697	3,235,364	3,235,364	3,397,132	3,397,132
Community works reserve	-	-	-	-	-
Regulated reserves for future expenditures	-	-	-	-	-
Total transfers for operating	\$ 28,805,046	\$ 30,626,049	\$ 30,277,072	\$ 30,006,362	\$ 29,715,644
Capital expenditures					
General	\$ 43,245,382	\$ 28,370,125	\$ 31,317,527	\$ 30,836,965	\$ 15,495,856
Downtown district energy	-	-	-	-	-
Sewer	7,974,611	7,081,390	6,701,795	2,848,550	4,534,034
Water	17,595,682	13,361,262	5,677,220	5,671,444	5,474,034
Total capital expenditures	\$ 68,815,675	\$ 48,812,777	\$ 43,696,542	\$ 39,356,959	\$ 25,503,924
Transfers between reserves					
Capital expenditure reserve	\$ 1,273,000	\$ 1,538,000	\$ 2,033,000	\$ 1,608,000	\$ 1,948,000
Endowment reserve	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Computer reserve	1,377,000	1,112,000	617,000	1,042,000	702,000
Gaming reserve	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)
Total transfers between reserves	\$ -	\$ -	\$ -	\$ -	\$ -