

CITY OF PRINCE GEORGE
BYLAW NO. 8755

A Bylaw to enact the 2016 to 2020 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 2016 to 2020;

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. 8755, 2016".

READ A FIRST TIME THIS 25th DAY OF **APRIL** ,2016.

READ A SECOND TIME THIS 25th DAY OF **APRIL** ,2016.

READ A THIRD TIME THIS 25th DAY OF **APRIL** ,2016.

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

ADOPTED THIS 9th DAY OF **MAY** ,2016,
BY A **MAJORITY** DECISION OF ALL MEMBERS OF CITY COUNCIL
PRESENT AND ELIGIBLE TO VOTE.



MAYOR



D/CORPORATE OFFICER

Schedule 1
To Bylaw No. 8755, 2016

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement
Property Value Taxes	40.70%	Maintain revenue from property value taxes (including grants in lieu) at 30-50 percent of overall revenues.
Fees	20.31%	Review fees and charges annually, ensure users pay for specific identifiable services.
Other Sources	11.07%	Review other sources of funds annually, seek grant revenues.
Proceeds from Borrowing	4.01%	Use debenture funding for infrastructure expansion and major asset maintenance.
Reserve Funding	23.91%	Allocate funding from reserves for capital programs and major asset maintenance.
	100.00%	

Property Value Taxes	Proportion of Total	Objective and Policy Statement
Residential	54.13%	The property tax structure is reviewed annually by the Standing Committee on Finance and Audit and a tax rate option is approved by Council.
Utility	1.52%	
Supportive Housing	0.00%	For 2016 the structure has been recommended to achieve the following objectives:
Major Industry	12.38%	- set representative home tax increase to be 3.21%
Light Industry	2.83%	- set utility rate to the maximum allowed under BC Reg 329/96
Business	29.07%	- set Major Industry rate to \$46.00000 per \$1,000 of assessed value
Recreation/Non-Profit	0.06%	- obtain the remaining tax revenue required by equally increasing the other tax class rates.
Farm	0.01%	
	100%	

Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,523,260	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	\$ 334,812	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 2016 to 2020

	2016	2017	2018	2019	2020
Revenues					
Taxation and grants in lieu, net (1)	\$ (101,186,842)	\$ (103,671,274)	\$ (104,943,783)	\$ (107,897,797)	\$ (110,050,079)
Parcel and frontage tax	(1,073,419)	(1,073,419)	(1,073,419)	(1,073,419)	(1,073,419)
Sale of Services, user rates and rentals	(51,025,362)	(50,836,977)	(50,955,578)	(51,020,480)	(51,094,389)
Return on investments	(2,953,396)	(2,924,946)	(3,006,080)	(3,123,804)	(3,477,448)
DCC contributions	(1,387,729)	(686,000)	(112,000)	(112,000)	(76,000)
Contribution from other gov'ts & agencies	(9,238,977)	(7,391,477)	(7,538,144)	(7,538,144)	(7,699,912)
Other revenue	(14,233,461)	(14,273,763)	(14,324,025)	(14,369,207)	(14,342,048)
Total revenues before other gov't collections	(181,099,186)	(180,857,856)	(181,953,029)	(185,134,851)	(187,813,295)
Collections for other gov'ts & associations	(42,749,900)	(42,756,878)	(42,756,878)	(42,756,878)	(42,756,878)
Total revenues including other gov't collections	\$ (223,849,086)	\$ (223,614,734)	\$ (224,709,907)	\$ (227,891,729)	\$ (230,570,173)
Expenditures					
General government services	\$ 14,938,395	\$ 14,911,110	\$ 15,095,751	\$ 15,130,393	\$ 15,266,901
Protective services	44,085,267	44,874,943	45,906,377	46,986,421	48,078,079
Planning & environmental development	2,738,853	2,449,093	2,492,576	2,536,930	2,582,171
Road transportation	23,414,030	23,113,319	23,205,010	23,334,267	23,542,305
Public transit	4,875,762	4,877,550	4,879,374	4,881,235	4,883,132
Downtown district energy system	318,867	319,904	320,962	322,223	323,144
Sewer	6,191,878	5,682,360	5,668,595	6,124,167	5,972,961
Water	5,773,273	5,506,907	5,591,240	5,680,335	5,793,857
Environmental health	2,894,214	2,860,359	2,904,408	2,949,334	2,995,165
Public health	530,068	537,363	544,803	552,393	560,135
Recreation & cultural services	22,593,766	22,209,945	20,902,658	22,504,790	23,038,290
Other	-	-	-	-	-
Debt charges interest	6,820,371	6,574,614	6,284,800	6,194,601	6,203,772
Fiscal services miscellaneous	2,275,877	2,275,877	2,275,877	2,275,877	2,275,877
Amortization	18,810,000	18,810,000	18,810,000	18,810,000	18,810,000
Total Expenditures before other gov't payments	156,260,621	155,003,344	154,882,431	158,282,966	160,325,789
Collections for other gov'ts & associations	42,749,900	42,756,878	42,756,878	42,756,878	42,756,878
Total expenditures after other gov't payments	\$ 199,010,521	\$ 197,760,222	\$ 197,639,309	\$ 201,039,844	\$ 203,082,667
Annual (Surplus)/Loss	\$ (24,838,565)	\$ (25,854,512)	\$ (27,070,598)	\$ (26,851,885)	\$ (27,487,506)
Capital expenditures	56,630,681	44,647,065	33,755,642	23,388,071	24,983,714
Transfer - amortization	(18,810,000)	(18,810,000)	(18,810,000)	(18,810,000)	(18,810,000)
Proceeds from borrowing	(10,082,076)	(10,772,927)	(5,294,101)	(2,566,679)	(1,827,544)
Principal payment on debt	11,627,873	11,449,287	11,663,680	11,780,247	12,484,467
Transfers for capital - (Schedule 3)	(39,006,355)	(30,189,138)	(25,285,541)	(17,668,392)	(20,616,170)
Transfers between reserves - (Schedule 3)	-	-	-	-	-
Transfers for operating - (Schedule 3)	25,816,928	29,099,133	30,709,000	30,283,347	30,342,197
Transfer to/from deferred revenues	(1,201,761)	410,697	397,364	515,364	1,129,132
Transfer to/from surplus	(136,725)	20,395	(65,446)	(70,073)	(198,290)
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -

(1) 2016 General Municipal Tax Levy is included at \$81,629,912, 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 \$96,129,912. 2016 general tax levy increase is 3.21% after taking into consideration \$3,356,653 in new construction assessable taxes.

Consolidated Financial Plans
Financial Plans 2016 to 2020

	2016	2017	2018	2019	2020
Transfers for capital					
2015 Canada Winter Games facilities reserve	\$ (102,881)	\$ -	\$ -	\$ -	\$ -
Infrastructure reinvestment reserve	(3,262,932)	(3,262,000)	(560,000)	(1,572,000)	(1,557,500)
Capital expenditure reserve	(25,775,407)	(20,772,138)	(19,145,541)	(10,436,392)	(12,589,670)
Land development reserve	-	-	-	-	-
Computer reserve	(2,856,206)	(1,080,000)	(505,000)	(585,000)	(370,000)
Endowment reserve	-	-	-	-	-
Local area service reserve	-	-	-	-	-
Off-street parking reserve	(1,343,000)	-	-	-	(1,099,000)
Regulated reserves for future expenditures	(665,929)	(75,000)	(75,000)	(75,000)	-
Road rehabilitation reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Storm sewer reserve	-	-	-	-	-
Transfer from Operating	-	-	-	-	-
Subtotal transfers for capital (reserves)	(39,006,355)	(30,189,138)	(25,285,541)	(17,668,392)	(20,616,170)
Deferred revenue					
Deferred revenue	(60,393)	-	-	-	-
Community works reserve	(4,406,281)	(3,053,000)	(3,118,000)	(3,095,000)	(2,518,000)
Total transfers for capital	\$ (43,473,029)	\$ (33,242,138)	\$ (28,403,541)	\$ (20,763,392)	\$ (23,134,170)
Transfers for operating					
2015 Canada Winter Games facilities reserve	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure reinvestment reserve	2,022,760	3,309,000	4,428,000	4,384,000	4,334,000
Capital expenditure reserve	13,121,159	14,505,000	14,826,000	14,430,000	14,515,000
Capital expenditure reserve	2,525,432	2,522,941	2,520,399	2,517,807	2,515,164
Computer reserve	(249,746)	(235,000)	(200,000)	(140,000)	(100,000)
Endowment reserve	2,955,425	2,962,388	2,969,330	2,937,900	2,945,865
Local improvement reserve	-	-	-	-	-
Mobile equipment reserve	-	-	-	-	-
Mobile equipment reserve	154,109	320,829	371,704	414,845	462,062
Off-street parking reserve	(115,360)	(20,000)	(20,000)	-	-
Road rehabilitation reserve	5,000,000	5,100,000	5,200,000	5,200,000	5,200,000
Snow reserve	7,000,000	7,150,000	7,300,000	7,300,000	7,300,000
Snow reserve	(7,000,000)	(7,150,000)	(7,300,000)	(7,300,000)	(7,300,000)
Storm sewer reserve	(46,458)	-	-	-	-
Southwest sector reserve	-	-	-	-	-
Fortis BC reserve	4,693,163	4,580,555	4,467,947	4,355,339	4,242,731
Fortis BC reserve	(5,484,464)	(5,484,464)	(5,484,464)	(5,484,464)	(5,484,464)
RRFE reserves	750,000	900,000	1,000,000	1,050,000	1,100,000
Other	490,908	637,884	630,084	617,920	611,839
Subtotal transfers for operating (reserves)	25,816,928	29,099,133	30,709,000	30,283,347	30,342,197
Deferred revenues					
Deferred revenue	3,434,849	3,463,697	3,610,364	3,610,364	3,772,132
Community works reserve	(169,936)	-	(95,000)	-	(125,000)
Community works reserve	-	-	-	-	-
Regulated reserves for future expenditures	-	-	-	-	-
Total transfers for operating	\$ 29,081,841	\$ 32,562,830	\$ 34,224,364	\$ 33,893,711	\$ 33,989,329
Capital expenditures					
General	\$ 33,256,346	\$ 24,707,927	\$ 15,999,101	\$ 14,017,679	\$ 13,876,044
Downtown district energy	-	-	-	-	-
Sewer	9,027,207	7,017,059	8,506,552	6,204,984	7,158,835
Water	14,347,128	12,922,079	9,249,989	3,165,408	3,948,835
Total capital expenditures	\$ 56,630,681	\$ 44,647,065	\$ 33,755,642	\$ 23,388,071	\$ 24,983,714
Transfers between reserves					
Capital expenditure reserve	\$ 1,167,000	\$ 1,285,000	\$ 1,895,000	\$ 1,875,000	\$ 2,130,000
Endowment reserve	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Computer reserve	1,433,000	1,315,000	705,000	725,000	470,000
Gaming reserve	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)
Total transfers between reserves	\$ -	\$ -	\$ -	\$ -	\$ -