

CITY OF PRINCE GEORGE
BYLAW NO. 8955

A Bylaw to enact the 2018 to 2022 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 2018 to 2022;

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. 8955, 2018".

READ A FIRST TIME THIS 30th DAY OF APRIL ,2018.

READ A SECOND TIME THIS 30th DAY OF APRIL ,2018.

READ A THIRD TIME THIS 30th DAY OF APRIL ,2018.

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

ADOPTED THIS 2nd DAY OF MAY ,2018,
BY A UNANIMOUS DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.



MAYOR



CORPORATE OFFICER



Schedule 1 to Bylaw No. 8955, 2018

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement
Property Value Taxes	59.03%	The City will make every effort to keep property value taxes (including grants in lieu) at a maximum of two-thirds of total revenue.
Parcel Taxes	0.63%	Parcel tax revenue set to recover specific servicing costs.
Fees	27.75%	Review fees and charges annually, ensure users pay for specific identifiable services.
Other Sources	9.24%	Review other sources of funds annually, seek grant revenues.
Proceeds from Borrowing	3.35%	Only incur debt funding for one-time capital projects (no ongoing programs e.g. road rehabilitation) when reserve funding is not possible.
	<u>100.00%</u>	

Property Value Taxes	Proportion of Total	Objective and Policy Statement
Residential	54.12%	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	1.42%	
Supportive Housing	0.00%	For 2018 the structure has been recommended to achieve the following objectives: - set representative home tax increase to be 1.87% - 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.
Major Industry	11.94%	
Light Industry	2.88%	
Business	29.59%	
Recreation/Non-Profit	0.05%	
Farm	0.01%	
	<u>100%</u>	

Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,964,699	- 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	\$ 386,331	- 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 2018 to 2022

	2018	2019	2020	2021	2022
Revenues					
Taxation and grants in lieu, net (1)	\$ (108,531,591)	\$ (109,710,926)	\$ (111,526,207)	\$ (113,047,588)	\$ (114,183,229)
Parcel and frontage tax	(1,150,767)	(1,150,767)	(1,150,767)	(1,150,767)	(1,150,767)
Sale of Services, user rates and rentals	(51,024,564)	(51,369,290)	(51,721,553)	(52,086,477)	(48,394,128)
Return on investments	(2,857,638)	(2,959,600)	(3,299,941)	(3,659,361)	(1,303,899)
DCC contributions	(462,500)	(302,500)	(12,500)	(12,500)	(12,500)
Contribution from other gov'ts & agencies	(7,653,480)	(7,653,480)	(7,799,071)	(7,799,071)	(7,951,214)
Other revenue	(6,905,622)	(6,873,624)	(6,880,177)	(6,886,909)	(6,893,710)
Total revenues before other gov't collections	(178,586,162)	(180,020,187)	(182,390,216)	(184,642,673)	(179,889,447)
Collections for other gov'ts & associations	(43,385,100)	(43,385,100)	(43,385,100)	(43,385,100)	(43,385,100)
Total revenues including other gov't collections	\$ (221,971,262)	\$ (223,405,287)	\$ (225,775,316)	\$ (228,027,773)	\$ (223,274,547)
Expenditures					
General government services	\$ 16,469,761	\$ 16,309,035	\$ 16,465,769	\$ 16,701,537	\$ 17,054,421
Protective services	47,173,694	47,342,919	47,811,493	48,289,428	48,776,928
Planning & environmental development	2,753,123	2,802,867	2,853,604	2,905,358	2,958,146
Road transportation	19,533,137	20,074,521	20,084,092	20,297,862	20,515,900
Public transit	5,366,643	5,368,400	5,370,192	5,372,021	5,323,886
Downtown district energy system	407,313	354,758	356,538	358,536	360,209
Sewer	5,893,864	5,972,646	6,053,002	6,134,965	6,218,569
Water	6,028,399	6,015,024	6,088,081	6,162,598	6,238,610
Environmental health	2,360,415	2,379,101	2,398,162	2,417,602	2,437,429
Public health	473,969	481,517	489,214	497,065	505,075
Recreation & cultural services	22,686,565	22,622,532	22,871,882	23,126,216	23,385,645
Other	-	-	-	-	-
Debt charges interest	5,307,983	5,434,297	5,920,432	6,212,135	3,979,652
Fiscal services miscellaneous	1,109,992	1,010,000	1,010,000	1,010,000	1,010,000
Amortization	22,332,000	22,332,000	22,332,000	22,332,000	22,332,000
Total Expenditures before other gov't payments	157,896,858	158,499,617	160,104,461	161,817,323	161,096,470
Collections for other gov'ts & associations	43,385,100	43,385,100	43,385,100	43,385,100	43,385,100
Total expenditures after other gov't payments	\$ 201,281,958	\$ 201,884,717	\$ 203,489,561	\$ 205,202,423	\$ 204,481,570
Annual (Surplus)/Loss	\$ (20,689,304)	\$ (21,520,570)	\$ (22,285,755)	\$ (22,825,350)	\$ (18,792,977)
Capital expenditures	26,028,799	19,882,680	17,946,133	19,880,263	19,339,789
Transfer - amortization	(22,332,000)	(22,332,000)	(22,332,000)	(22,332,000)	(22,332,000)
Proceeds from borrowing	(6,159,683)	(3,164,245)	(1,628,139)	(2,110,692)	(1,695,110)
Principal payment on debt	11,069,374	11,845,941	12,536,589	13,224,505	7,809,277
Transfers for capital - (Schedule 3)	(17,045,572)	(15,238,435)	(15,127,994)	(16,579,571)	(16,454,679)
Transfers between reserves - (Schedule 3)	-	-	-	-	-
Transfers for operating - (Schedule 3)	27,814,828	27,848,114	27,997,862	27,849,541	29,080,253
Transfer to/from deferred revenues	896,206	2,333,550	2,479,141	2,479,141	2,631,284
Transfer to/from surplus	417,352	344,965	414,163	414,163	414,163
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -

(1) 2018 General Municipal Tax Levy is included at \$89,161,101, 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 \$103,661,101. 2018 general tax levy increase is 1.87% after taking into consideration \$1,231,075 in new construction assessable taxes.

Consolidated Financial Plans
Financial Plans 2018 to 2022

	2018	2019	2020	2021	2022
Transfers for capital					
Infrastructure reinvestment reserve	\$ (349,996)	\$ (673,000)	\$ (135,000)	\$ (135,000)	\$ (449,000)
Capital expenditure reserve	(6,777,009)	(8,148,735)	(9,069,994)	(9,418,068)	(9,060,394)
Land development reserve	-	-	-	-	-
Computer reserve	(727,250)	(878,000)	(923,000)	(893,000)	(850,000)
Endowment reserve	(3,236,317)	-	-	-	-
Local area service reserve	-	-	-	-	-
Off-street parking reserve	-	-	-	-	-
Regulated reserves for future expenditures	(955,000)	(538,700)	-	(1,133,503)	(1,095,285)
Road rehabilitation reserve	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
Storm sewer reserve	-	-	-	-	-
Fleet transfers	-	-	-	-	-
Transfer from Operating	-	-	-	-	-
Subtotal transfers for capital (reserves)	(17,045,572)	(15,238,435)	(15,127,994)	(16,579,571)	(16,454,679)
<i>Deferred revenue</i>					
Deferred revenue	(2,373,544)	(1,190,000)	(1,190,000)	(1,190,000)	(1,190,000)
Community works reserve	-	-	-	-	-
Total transfers for capital	\$ (19,419,116)	\$ (16,428,435)	\$ (16,317,994)	\$ (17,769,571)	\$ (17,644,679)
Transfers for operating					
Infrastructure reinvestment reserve	\$ 2,397,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Capital expenditure reserve	14,856,500	14,909,461	15,317,201	15,603,855	15,890,680
Capital expenditure reserve	-	-	-	-	-
Computer reserve	(272,500)	(122,000)	(77,000)	(107,000)	(150,000)
Endowment reserve	4,155,513	4,150,000	4,150,000	4,150,000	4,150,000
Local improvement reserve	-	-	-	-	-
Mobile equipment reserve	819,844	587,685	437,981	288,069	200,378
Mobile equipment reserve	-	-	-	-	-
Off-street parking reserve	1,074,051	1,108,296	1,063,358	917,085	894,711
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	-	-	-	-	-
Southwest sector reserve	-	-	-	-	-
Fortis BC reserve	(755,723)	(868,213)	(980,696)	(1,093,173)	-
Fortis BC reserve	-	-	-	-	-
Fleet transfers	-	-	-	-	-
RRFE reserves	1,060,487	1,064,879	1,069,012	1,072,880	1,076,478
Other	(520,344)	(481,994)	(481,994)	(482,175)	(481,994)
Subtotal transfers for operating (reserves)	27,814,828	27,848,114	27,997,862	27,849,541	29,080,253
<i>Deferred revenues</i>					
Deferred revenue	34,386	288,186	288,186	288,186	288,186
Community works reserve	3,235,364	3,235,364	3,380,955	3,380,955	3,533,098
Community works reserve	-	-	-	-	-
Regulated reserves for future expenditures	-	-	-	-	-
Total transfers for operating	\$ 31,084,578	\$ 31,371,664	\$ 31,667,003	\$ 31,518,682	\$ 32,901,537
Capital expenditures					
General	\$ 20,066,250	\$ 12,093,945	\$ 9,226,139	\$ 10,812,195	\$ 10,679,395
Downtown district energy	-	-	-	-	-
Sewer	2,104,751	2,276,515	2,698,550	2,009,034	5,480,197
Water	3,857,798	5,512,220	6,021,444	7,059,034	3,180,197
Total capital expenditures	\$ 26,028,799	\$ 19,882,680	\$ 17,946,133	\$ 19,880,263	\$ 19,339,789
Transfers between reserves					
Capital expenditure reserve	\$ 1,470,250	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
Endowment reserve	0	0	0	0	0
Computer reserve	929,750	1,000,000	1,000,000	1,000,000	1,000,000
Gaming reserve	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)
Total transfers between reserves	\$ -	\$ -	\$ -	\$ -	\$ -