

BYLAW NO. 9120, 2020

A Bylaw to enact the 2020 to 2024 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 2020 to 2024;

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. 9120, 2020".

READ A FIRST TIME THIS _____ DAY OF _____, 2020.

READ A SECOND TIME THIS _____ DAY OF _____, 2020.

READ A THIRD TIME THIS DAY OF , 2020.

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

ADOPTED THIS _____ DAY OF _____, 2020, BY A
DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.

MAYOR

CORPORATE OFFICER

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement
Property Value Taxes	60.37%	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	1.04%	Parcel tax revenue set to recover specific servicing costs.
Fees	27.18%	Review fees and charges annually, ensure users pay for specific identifiable services.
Other Sources	9.85%	Review other sources of funds annually, seek grant revenues.
Proceeds from Borrowing	1.56%	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	53.78%	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	1.43%	
Supportive Housing	0.00%	For 2020 the structure has been recommended to achieve the following objectives:
Major Industry	12.61%	- set representative home tax increase to be 1.75%
Light Industry	3.10%	- set utility rate to the maximum allowed under BC Reg 329/96
Business	29.02%	- obtain the remaining tax revenue required by equally increasing the other tax class rates.
Recreation/Non-Profit	0.05%	
Farm	0.01%	
	<u>100.00%</u>	
Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,900,575	- 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	\$ 399,649	- 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 2020 to 2024

	2020	2021	2022	2023	2024
Revenues					
Taxation and grants in lieu, net (1)	\$ (117,969,244)	\$ (120,862,107)	\$ (123,751,585)	\$ (124,193,576)	\$ (126,667,540)
Parcel and frontage tax	(2,032,418)	(2,014,779)	(1,992,392)	(1,923,076)	(1,923,076)
Sale of services, user rates and rentals	(53,117,996)	(54,177,241)	(51,334,351)	(52,778,356)	(54,320,247)
Return on investments	(3,504,464)	(3,860,016)	(1,499,937)	(1,661,876)	(1,664,492)
DCC contributions	(1,024,875)	(1,666,125)	(1,072,125)	(1,085,625)	(1,436,625)
Contribution from other gov'ts & agencies	(7,508,770)	(7,652,058)	(7,652,058)	(7,794,568)	(7,794,568)
Other revenue	(7,216,387)	(7,231,235)	(7,248,706)	(7,266,850)	(7,286,323)
Total revenues before other gov't collections	(192,374,154)	(197,463,561)	(194,551,154)	(196,703,927)	(201,092,871)
Collections for other gov'ts & associations	(44,820,770)	(44,820,770)	(44,820,770)	(44,820,770)	(44,820,770)
Total revenues including other gov't collections	\$ (237,194,924)	\$ (242,284,331)	\$ (239,371,924)	\$ (241,524,697)	\$ (245,913,641)
Expenditures					
General government services	\$ 18,503,174	\$ 18,319,429	\$ 18,554,172	\$ 18,793,608	\$ 19,037,837
Protective services	50,616,714	50,456,665	50,961,357	51,476,141	52,001,219
Planning & environmental development	2,762,580	2,718,463	2,769,913	2,822,394	2,875,923
Road transportation	21,969,912	21,966,949	22,116,935	22,269,920	22,425,969
Public transit	5,927,690	5,927,690	5,927,690	5,927,690	5,927,690
Downtown district energy system	410,774	412,583	414,428	416,312	418,233
Sewer	6,283,925	6,368,362	6,454,486	6,542,332	6,631,939
Water	6,304,078	6,379,466	6,456,362	6,534,793	6,614,793
Environmental health	2,543,213	2,563,162	2,583,511	2,604,266	2,625,434
Public health	496,335	504,288	512,400	520,675	529,114
Recreation & cultural services	24,122,362	23,904,424	24,127,525	24,395,877	24,669,604
Debt interest charges	5,493,346	6,278,161	5,120,449	4,399,387	4,612,095
Fiscal services miscellaneous	1,131,247	1,133,892	1,139,084	1,144,379	1,149,780
Amortization	24,400,000	24,400,000	24,400,000	24,400,000	24,400,000
Total Expenditures before other gov't payments	170,965,350	171,333,534	171,538,312	172,247,774	173,919,630
Collections for other gov'ts & associations	44,820,770	44,820,770	44,820,770	44,820,770	44,820,770
Total expenditures after other gov't payments	\$ 215,786,120	\$ 216,154,304	\$ 216,359,082	\$ 217,068,544	\$ 218,740,400
Annual (Surplus)/Loss	\$ (21,408,804)	\$ (26,130,027)	\$ (23,012,842)	\$ (24,456,153)	\$ (27,173,241)
Capital expenditures	21,333,214	27,286,472	17,922,964	16,832,529	18,201,485
Transfer - amortization	(24,400,000)	(24,400,000)	(24,400,000)	(24,400,000)	(24,400,000)
Proceeds from borrowing	(3,041,500)	(1,797,848)	(1,641,302)	(1,579,668)	(624,282)
Principal payment on debt	19,126,646	14,602,800	10,261,194	10,417,380	11,328,909
Transfers for capital - (Schedule 3)	(17,352,339)	(23,940,624)	(15,307,412)	(14,265,111)	(16,238,453)
Transfers between reserves - (Schedule 3)	-	-	-	-	-
Transfers for operating - (Schedule 3)	25,572,836	34,229,147	36,047,584	37,341,879	38,817,519
Transfer to/from surplus	169,947	150,080	129,814	109,144	88,063
Financial Plan Balance	\$ -	\$ -	\$ -	\$ -	\$ -

(1) 2020 General Municipal Tax Levy is included at \$96,372,106, the snow levy at \$8,500,000, the road rehabilitation levy at \$5,650,000, and general infrastructure reinvestment levy at \$2,550,000 for a combined total of \$113,072,106. 2020 general tax levy increase is 1.75% after taking into consideration \$1,297,157 in new construction assessable taxes.

Consolidated Financial Plans
Financial Plans 2020 to 2024

	2020	2021	2022	2023	2024
Transfers for capital					
Infrastructure reinvestment reserve	\$ -	\$ (943,250)	\$ (943,250)	\$ (1,028,250)	\$ (1,228,250)
Capital expenditure reserve	(7,338,079)	(7,630,858)	(5,301,144)	(5,695,111)	(7,468,453)
Computer reserve	(605,000)	(523,000)	(523,000)	(523,000)	(523,000)
Off-street parking reserve	(200,000)	-	-	-	-
Regulated reserves for future expenditures	(100,000)	(100,000)	(200,000)	(200,000)	(200,000)
Road rehabilitation reserve	(5,650,000)	(5,650,000)	(5,650,000)	(5,650,000)	(5,650,000)
Community Works reserve	(1,273,125)	(4,206,500)	(1,453,750)	(1,168,750)	(1,168,750)
Northern Capital Planning Grant reserve	(2,186,135)	(3,400,250)	-	-	-
Solid waste reserve	-	(1,486,766)	(1,236,268)	-	-
Total transfers for capital	\$ (17,352,339)	\$ (23,940,624)	\$ (15,307,412)	\$ (14,265,111)	\$ (16,238,453)
Transfers for operating					
Infrastructure reinvestment reserve	\$ (4,035,106)	\$ 2,119,375	\$ 2,131,000	\$ 2,131,000	\$ 2,131,000
Capital expenditure reserve	14,592,871	16,148,525	17,230,187	18,358,896	19,695,019
Endowment reserve	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Mobile equipment reserve	519,658	389,105	311,095	218,761	189,144
Off-street parking reserve	1,798,945	1,757,895	1,610,206	1,603,583	1,597,031
Road rehabilitation reserve	5,650,000	5,650,000	5,650,000	5,650,000	5,650,000
Fortis BC reserve	(921,654)	(821,803)	-	-	-
Fleet transfers	64,620	-	-	-	-
Regulated reserves for future expenditures	385,625	385,625	385,625	385,625	385,625
Community Works reserve	3,170,138	3,297,176	3,305,301	3,447,811	3,447,811
Northern Capital Planning Grant reserve	(834,500)	-	-	-	-
Solid waste reserve	1,082,239	1,203,249	1,324,169	1,446,203	1,621,888
Other	-	-	1	-	1
Total transfers for operating	\$ 25,572,836	\$ 34,229,147	\$ 36,047,584	\$ 37,341,879	\$ 38,817,519
Capital expenditures					
General	\$ 13,466,385	\$ 19,245,114	\$ 12,312,570	\$ 10,814,668	\$ 10,059,282
Downtown district energy	-	-	-	-	-
Sewer	2,860,000	1,929,231	1,130,197	1,635,147	3,447,107
Water	5,006,829	6,112,127	4,480,197	4,382,714	4,695,096
Total capital expenditures	\$ 21,333,214	\$ 27,286,472	\$ 17,922,964	\$ 16,832,529	\$ 18,201,485
Transfers between reserves					
Capital expenditure reserve	\$ 1,795,000	\$ 1,877,000	\$ 1,877,000	\$ 1,877,000	\$ 1,877,000
Computer reserve	605,000	523,000	523,000	523,000	523,000
Gaming reserve	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)
Total transfers between reserves	\$ -	\$ -	\$ -	\$ -	\$ -