

CITY OF PRINCE GEORGE

BYLAW NO. 8273

A Bylaw to enact the 2010 to 2014 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 2010 to 2014*;

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, 3, and 4 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. 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. 8273, 2010".

READ A FIRST TIME THIS THE **10th** DAY OF **MAY** , 2010.

READ A SECOND TIME THIS THE **10th** DAY OF **MAY** , 2010.

READ A THIRD TIME THIS THE **10th** DAY OF **MAY** , 2010.

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

ADOPTED THIS THE **12th** DAY OF **MAY** , 2010, BY A **UNANIMOUS** DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND ELIGIBLE TO VOTE.



ACTING MAYOR



CORPORATE OFFICER



Schedule 1 to Bylaw No. 8273, 2010

Objectives and Policies - Municipal Revenues and Expenditures

Revenue	Proportion of Total	Objective and Policy Statement
Property Value Taxes	33.34%	Maintain revenue from property value taxes (including GIL) at 30-50 percent of overall revenues
Parcel Taxes	0.43%	Parcel tax revenue set to recover specific servicing costs
Fees	17.51%	Review fees and charges annually, ensure users pay for specific identifiable services
Other Sources	20.56%	Review other sources of funds annually, seek grant revenue sources of funding
Proceeds from Borrowing	18.59%	Debenture funding for purpose of infrastructure expansion and major asset maintenance
Reserve Funding	9.58%	Allocate funding from reserves for capital programs and major asset maintenance
	<u>100.00%</u>	
Property Value Taxes	Distribution	Objective and Policy Statement
Residential	54.17%	<p>The structure of property tax rates are reviewed annually by the Finance and Audit Committee and recommendations are brought to Council for approval.</p> <p>For 2010 the structure has been recommended to achieve the following objectives:</p> <ul style="list-style-type: none"> - set residential tax rate to achieve a tax payable increase of 4.48% on the mean average SFD - set utility rate to maximum allowed under BC Reg 329/96 - lower major industry tax rate towards provincial average over 10 years - raise light industry multiple toward comparative average, tax burden to match increase on residential and business - set business class rate to achieve a \$ increase of 4.98% based on value remaining the same as 2009
Utility	1.52%	
Supportive Housing	0.00%	
Major Industry	15.82%	
Light Industry	2.86%	
Business	25.56%	
Recreation/Non-Profit	0.05%	
Farm	0.01%	
	<u>100%</u>	
Permissive Tax Exemptions	Value	Objective and Policy Statement
Permissive Exemptions	\$ 1,020,119	<ul style="list-style-type: none"> - 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. - The value of permissive tax exemptions granted to buildings for public worship and nonprofit organizations will not exceed 1.75% of the annual municipal levy requisition.
Revitalization Exemptions	\$ 65,578	<ul style="list-style-type: none"> - 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. - 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.

General Operating Fund
Financial Plans 2010 to 2014
(by function)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Taxation and Grants in lieu, net (1)	\$ (75,685,620)	\$ (77,455,955)	\$ (79,553,404)	\$ (81,710,210)	\$ (83,928,401)
Parcel and Frontage Tax	(794,674)	(794,675)	(794,675)	(787,514)	(787,514)
Sale of Services, User Rates and Rentals	(19,986,257)	(23,365,437)	(20,301,251)	(20,425,325)	(20,563,363)
Return on Investments	(1,097,478)	(1,206,436)	(1,324,201)	(1,448,574)	(1,527,900)
Contribution from Other Gov'ts & Agencies	(9,706,192)	(8,506,312)	(8,507,740)	(8,509,197)	(5,599,317)
Other Revenue	(14,493,614)	(14,500,170)	(14,468,306)	(14,515,719)	(14,472,789)
Total Revenues Before Other Gov't Collections	(121,763,835)	(125,828,985)	(124,949,577)	(127,396,539)	(126,879,284)
Collections For Other Governments	(38,549,444)	(38,612,400)	(38,612,400)	(38,612,400)	(38,612,400)
Total Revenues Including Other Gov't Collections	\$ (160,313,279)	\$ (164,441,385)	\$ (163,561,977)	\$ (166,008,939)	\$ (165,491,684)
Expenditures					
General Government Services	\$ 16,266,179	\$ 16,137,599	\$ 16,356,126	\$ 16,667,652	\$ 16,811,288
Protective Services	36,116,550	37,046,092	37,983,168	38,936,594	39,900,952
Planning & Environmental Development	4,245,926	3,211,888	2,822,113	2,851,820	2,923,566
Road Transport	18,195,879	18,779,015	19,195,192	19,517,535	19,377,477
Public Transit	3,204,609	3,204,609	3,204,609	3,204,609	3,204,609
Environment Health	3,268,470	6,394,451	3,412,899	3,217,692	3,351,736
Public Health	363,694	387,738	381,601	390,800	400,153
Recreation/Cultural Services	19,825,557	20,205,566	20,655,176	21,048,952	21,586,019
Debt Charges (Int/Ext/Leases)	14,081,468	14,326,941	14,085,334	14,222,954	14,310,008
Fiscal Services Misc	1,064,164	1,100,747	1,112,670	1,124,950	1,137,600
Total Expenditures Before Other Gov't Payments	116,632,496	120,794,646	119,208,888	121,183,558	123,003,408
Taxes Collected For/Paid To Other Gov'ts	38,549,444	38,612,400	38,612,400	38,612,400	38,612,400
Total Expenditures After Other Gov't Payments	\$ 155,181,940	\$ 159,407,046	\$ 157,821,288	\$ 159,795,958	\$ 161,615,808
Transfers					
Capital Expenditure Reserve	\$ (757,785)	\$ (715,000)	\$ (735,000)	\$ (802,000)	\$ (572,000)
Capital Expenditure Reserve	1,251,000	1,263,000	1,225,000	1,290,000	1,225,000
Computer Reserve	(689,258)	(435,625)	(571,423)	(417,489)	(281,200)
Endowment Reserve	2,490,318	2,579,416	2,589,740	2,601,098	2,587,746
Local Improvement Reserve	188,190	108,921	108,921	108,921	108,921
Mobile Equipment Reserve	(377,164)	(156,418)	(172,038)	(408,900)	(682,148)
Off-Street Parking Reserve	(20,000)	(20,000)	(20,000)	-	-
Road Rehabilitation Reserve	2,912,317	2,847,317	2,847,317	2,847,317	2,847,317
Snow Reserve	(4,800,000)	(5,162,739)	(5,251,557)	(5,342,705)	(5,359,720)
Snow Reserve	5,000,000	5,350,000	5,450,000	5,550,000	5,650,000
Terasen Reserve	(5,538,430)	(5,526,892)	(5,526,827)	(5,526,834)	(5,527,537)
Terasen Reserve	5,431,283	5,320,163	5,209,044	5,097,924	4,986,805
RRFE Reserves	170,746	190,000	190,000	190,000	190,000
Miscellaneous Trusts	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Deferred Revenue	(5,000)	-	-	-	-
Deferred Revenue Reserves					
Community Works Reserve	(497,359)	-	(200,000)	-	-
Community Works Reserve	2,911,365	2,911,365	2,911,365	2,911,365	-
Development Cost Charges					
Drainage	(122,000)	(157,000)	-	-	-
Parkland	-	-	(21,000)	-	-
RRFE Reserves	50,000	50,000	50,000	50,000	50,000
Interdepartmental Transfers	(2,220,705)	(2,248,069)	(2,281,276)	(2,310,110)	(2,341,784)
	5,302,518	6,123,439	5,727,266	5,763,587	2,806,400
Accumulated Surplus	(171,179)	(1,089,100)	13,423	449,394	1,069,476
Total Transfers	\$ 5,131,339	\$ 5,034,339	\$ 5,740,689	\$ 6,212,981	\$ 3,875,876
Total Expenditures and Transfers	\$ 160,313,279	\$ 164,441,385	\$ 163,561,977	\$ 166,008,939	\$ 165,491,684

(1) 2010 General Municipal Tax Levy is included at \$65,446,846, the Snow Levy at \$5,000,000 and the Road Rehab levy of \$2,912,317 for a combined total of \$73,359,163. 2010 General Tax Levy Increase was 4.98%

**Sewer Operating Fund
Financial Plans 2010 to 2014
(by function)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Parcel and Frontage Tax	\$ (108,140)	\$ (108,140)	\$ (108,140)	\$ (108,140)	\$ (108,140)
Sale of Services, User Rates and Rentals	(5,972,727)	(6,349,545)	(6,615,757)	(6,960,234)	(7,323,060)
Return on Investments	(405,184)	(439,904)	(470,634)	(497,329)	(538,323)
Other Revenues	(7,902)	(7,902)	(7,902)	(7,902)	(7,902)
Total Revenue	\$ (6,493,953)	\$ (6,905,491)	\$ (7,202,433)	\$ (7,573,605)	\$ (7,977,425)
Expenditures					
Administration	\$ 415,830	\$ 426,729	\$ 437,947	\$ 449,492	\$ 449,994
Sewage Collection	1,717,638	1,291,134	1,320,628	1,350,923	1,355,090
Sewage Lift Stations	919,302	940,292	961,844	983,980	987,375
Sewage Treatment	1,144,723	1,399,009	1,429,068	1,459,935	1,465,995
Debt Charges	1,338,234	1,363,656	1,382,931	1,409,551	1,401,365
Total Expenditures	\$ 5,535,727	\$ 5,420,820	\$ 5,532,418	\$ 5,653,881	\$ 5,659,819
Transfers					
Capital Expenditure Reserve	\$ (175,000)	\$ -	\$ -	\$ -	\$ -
Mobile Equipment Reserve	(5,314)	(999)	-	-	-
Deferred Revenue Reserves					
Community Works Reserve	(55,214)	-	-	-	-
Interdepartmental Transfers	1,006,669	1,034,099	1,062,358	1,091,469	1,121,457
Accumulated Surplus	187,085	451,571	607,657	828,255	1,196,149
Total Transfers	\$ 958,226	\$ 1,484,671	\$ 1,670,015	\$ 1,919,724	\$ 2,317,606
Total Expenditures and Transfers	\$ 6,493,953	\$ 6,905,491	\$ 7,202,433	\$ 7,573,605	\$ 7,977,425

**Water Operating Fund
Financial Plans 2010 to 2014
(by function)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Parcel and Frontage Tax	\$ (64,120)	\$ (64,120)	\$ (64,120)	\$ (64,120)	\$ (64,120)
Sale of Services, User Rates and Rentals	(8,066,519)	(8,492,495)	(8,939,117)	(9,417,022)	(9,916,709)
Return on Investments	(463,381)	(519,759)	(550,907)	(601,743)	(364,283)
Other Revenues	(31,230)	(31,230)	(31,230)	(31,230)	(31,230)
Total Revenue	\$ (8,625,250)	\$ (9,107,604)	\$ (9,585,374)	\$ (10,114,115)	\$ (10,376,342)
Expenditures					
Administration	\$ 410,895	\$ 421,740	\$ 432,900	\$ 444,391	\$ 444,838
Purification & Treatment	55,000	55,550	56,106	56,667	57,233
Transmission & Distribution	2,001,574	2,028,993	2,082,859	2,138,225	2,394,481
Pumping	1,588,865	1,618,376	1,728,590	1,679,528	1,688,877
Debt Charges	2,601,526	2,651,896	2,674,257	2,564,876	1,805,842
Total Expenditures	\$ 6,657,860	\$ 6,776,555	\$ 6,974,712	\$ 6,883,687	\$ 6,391,271
Transfers					
Capital Expenditure Reserve	\$ 560,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
Mobile Equipment Reserve	(4,973)	(935)	-	-	-
Deferred Revenue Reserves					
Development Cost Charges	-	-	(80,000)	-	-
Interdepartmental Transfers	1,001,533	1,030,084	1,059,517	1,089,858	1,121,135
Accumulated Surplus	410,830	1,051,900	1,381,145	1,890,570	2,863,936
Total Transfers	\$ 1,967,390	\$ 2,331,049	\$ 2,610,662	\$ 3,230,428	\$ 3,985,071
Total Expenditures and Transfers	\$ 8,625,250	\$ 9,107,604	\$ 9,585,374	\$ 10,114,115	\$ 10,376,342



5 Year Capital Financial Plan

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Capital Funding					
<u>General Capital Fund</u>					
Sale of Services	\$ (3,303)	\$ (3,250)	\$ -	\$ -	\$ -
DCC Contributions					
Drainage	(242)	(88)	(563)	(235)	-
Parkland	(20)	(23)	-	-	-
Roads	(2,701)	(2,392)	(23)	(23)	(23)
Grants	(22,898)	(15,000)	-	-	-
Debentures	(42,155)	(24,398)	(25,027)	(10,763)	(3,095)
Miscellaneous Trusts	(76)	-	-	-	-
Deferred Revenue	(56)	-	-	-	-
Deferred Revenue Reserves					
Community Works Reserve	(3,698)	(2,350)	(194)	(239)	-
Reserves					
Capital Expenditure Reserve	(6,150)	(3,519)	(3,463)	(3,916)	(1,506)
Computer Reserve	(1,082)	(935)	(820)	(620)	(630)
Endowment Reserve	(67)	-	-	-	-
Local Improvement Reserve	(1,398)	-	-	-	-
Road Rehab Reserve	(2,912)	(2,847)	(2,847)	(2,847)	(2,847)
Storm Sewer Reserve	(231)	(44)	-	-	-
	<u>\$ (86,989)</u>	<u>\$ (54,846)</u>	<u>\$ (32,937)</u>	<u>\$ (18,643)</u>	<u>\$ (8,101)</u>
<u>Water Capital Fund</u>					
DCC Contributions	\$ (289)	\$ (100)	\$ -	\$ -	\$ -
Debentures	(49)	-	(4,200)	-	-
Deferred Revenue Reserves					
Community Works Reserve	(20)	(20)	(20)	(20)	(20)
Reserves					
Capital Expenditure Reserve	(1,145)	(250)	(250)	(335)	-
	<u>\$ (1,503)</u>	<u>\$ (370)</u>	<u>\$ (4,470)</u>	<u>\$ (355)</u>	<u>\$ (20)</u>
<u>Sewer Capital Fund</u>					
DCC Contributions	\$ (223)	\$ (630)	\$ -	\$ -	\$ -
Debentures	-	-	-	(2,526)	-
Deferred Revenue Reserves					
Community Works Reserve	(610)	-	-	-	-
Reserves					
Capital Expenditure Reserve	(823)	(50)	(85)	-	(30)
	<u>\$ (1,656)</u>	<u>\$ (680)</u>	<u>\$ (85)</u>	<u>\$ (2,526)</u>	<u>\$ (30)</u>
Total Capital Funding	<u>\$ (90,148)</u>	<u>\$ (55,896)</u>	<u>\$ (37,492)</u>	<u>\$ (21,524)</u>	<u>\$ (8,151)</u>
Capital Expenditures					
General Capital Projects	\$ 86,989	\$ 54,846	\$ 32,937	\$ 18,643	\$ 8,101
Water Capital Projects	1,503	370	4,470	355	20
Sewer Capital Projects	1,656	680	85	2,526	30
Total Capital Expenditures	<u>\$ 90,148</u>	<u>\$ 55,896</u>	<u>\$ 37,492</u>	<u>\$ 21,524</u>	<u>\$ 8,151</u>

5 Year Capital Financial Plan

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>	<u>(000's)</u>
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>
Capital Transfers					
Capital Expenditure Reserve	\$ (4,394)	\$ (4,219)	\$ (4,199)	\$ (4,553)	\$ (4,755)
Land Development Reserve	4,000	4,000	4,000	4,000	4,000
Endowment Reserve	365	365	365	365	365
Computer Reserve	(1,196)	(1,371)	(1,391)	(1,037)	(835)
Gaming Reserve	1,225	1,225	1,225	1,225	1,225
Total Capital Transfers	\$ -	\$ -	\$ -	\$ -	\$ -