

FIVE YEAR FINANCIAL PLAN BYLAW

2455, 2019

Adopted February 25, 2019

Includes the Following Date Adopted: Amending Bylaws:

Bylaw No. 2463, 2019

May 13, 2019

CITY OF FORT ST. JOHN

BYLAW NO. 2455, 2019

A BYLAW OF THE CITY OF FORT ST. JOHN TO PROVIDE AN OPERATING FUNDS FIVE YEAR FINANCIAL PLAN PURSUANT TO THE PROVISIONS OF THE *COMMUNITY CHARTER*

WHEREAS, Section 165 of the *Community Charter* requires Council, before the fifteenth of May in each year to cause to be prepared and adopted annually by bylaw, a Five Year Financial Plan.

NOW THEREFORE, the Council of the City of Fort St. John in open meeting assembled, enacts as follows:

<u>TITLE</u>

1. This Bylaw may be cited for all purposes as "Five Year Financial Plan Bylaw No. 2455, 2019".

ENACTMENT

2. THAT, the Five Year Financial Plan hereto annexed and marked as Schedule 'A" and Schedule "B" is hereby approved and authorized and shall stand as the estimates of Revenue and Expenditure for the years 2019 to 2023 until altered or amended by Council.

READ THE FIRST THREE TIMES THIS

28th DAY OF January,

lary,

2019

ADOPTED THIS 25th BY 2/3 MAJORITY OF COUNCIL

DAY OF

February, 2019

ORI ACKERMAN

MAYOR

JANÉT PRESTLEY, DIRECTOR OF LEGÍSLATIVE AND ADMINISTRATIVE SERVICES

City of Fort St. John Five Year Financial Plan Amendment Bylaw No. 2463, 2019 Schedule "A"

		2019		2020		2021		2022		2023
REVENUE		38.34%		39.00%		39.32%		39.46%		39.78%
Property Taxation	\$	32,170,977	\$	32,845,350	\$	33,372,029	\$	33,779,983	\$	33,992,810
Sale of Services	э \$	12,057,302	\$	12,221,007	\$ \$	12,248,149	ф \$	12,376,563	գ \$	12,408,000
Government Transfers	э \$	30,019,792	\$	29,733,839	\$ \$	29,922,653	ф \$	30,059,593	գ \$	29,587,381
Interest Income	э \$	2,094,817	ф \$	1,684,057	\$ \$	1,577,706	ф \$	1,573,075	ф \$	1,574,735
Other Revenue	\$	7,569,120	\$	7,727,668	\$	7,759,438	\$	7,818,588	\$	7,895,046
TOTAL REVENUE	\$	83,912,008	\$	84,211,921	\$	84,879,975	\$	85,607,802	\$	85,457,972
EXPENSES										
General Government Services		6,246,319		6,282,020		6,375,987		6,475,099		6,515,273
Environmental Development		1,716,018		1,747,316		1,763,455		1,780,326		1,799,471
Parks, Recreation & Cultural		11,398,639		11,527,923		11,627,136		11,739,317		11,940,436
Cemetery		148,382		150,659		153,204		155,794		158,313
Garbage and recyclying		792,226		703,920		699,348		704,785		700,742
Protective Services		15,299,077		15,682,059		16,085,048		16,379,151		16,648,536
Transit Services		2,802,000		2,987,000		3,103,000		3,218,000		3,295,000
Transportation Services		5,801,665		5,799,270		5,931,090		5,988,972		6,062,859
Water Utility		2,865,452		2,905,672		2,901,952		2,973,902		2,948,773
Sewer Utility		1,378,231		1,370,992		1,403,944		1,383,090		1,401,095
Amortization Expense		10,505,900		10,555,950		10,622,000		10,672,050		10,698,100
Debt Servicing (Interest & Principle)		3,526,356		3,450,667		3,531,690		3,615,932		3,703,522
TOTAL EXPENSES	\$	62,480,265	\$	63,163,448	\$	64,197,854	\$	65,086,418	\$	65,872,120
ANNUAL (SURPLUS) DEFICIT	\$	21,431,743	\$	21,048,473	\$	20,682,121	\$	20,521,384	\$	19,585,852
		-	<u> </u>	-	-	-	<u> </u>	-	-	_
RESERVES, CAPITAL AND DEBT										
Transfer from Reserves		(1,614,878)		(1,353,638)		(1,407,917)		(1,400,820)		(1,455,864)
Transfer from Accumulated Surplus		(10,505,900)		(10,555,950)		(10,622,000)		(10,672,050)		(10,698,100)
Transfers to Reserves		33,552,521		32,958,061		32,712,038		32,594,254		31,739,816
	\$						\$		\$	19,585,852
TOTAL EXPENDITURES	φ	21,431,743	\$	21,048,473	\$	20,682,121	-	20,521,384		
TOTAL EXPENDITURES		21,431,743	\$	21,048,473	\$	20,682,121	*	20,521,384		
Revenues		21,431,743	\$	21,048,473	\$	20,682,121	*	20,521,384		
	<u></u>	21,431,743 83,912,008	\$	21,048,473 84,211,921	\$	20,682,121 84,879,975	Ŧ	20,521,384 85,607,802		85,457,972
Revenues	<u>.</u>	· ·	\$		\$		•			85,457,972 1,455,864
Revenues Total Revenue		83,912,008	\$	84,211,921	\$	84,879,975	*	85,607,802		
Revenues Total Revenue Transfer from Reserves		83,912,008 1,614,878	\$	84,211,921 1,353,638	*	84,879,975 1,407,917	•	85,607,802 1,400,820		1,455,864
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus * Collection for Other Governments	φ 	83,912,008 1,614,878 10,505,900	\$	84,211,921 1,353,638 10,555,950	*	84,879,975 1,407,917 10,622,000	*	85,607,802 1,400,820 10,672,050		1,455,864 10,698,100
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus *	<u>•</u>	83,912,008 1,614,878 10,505,900 18,169,100	\$	84,211,921 1,353,638 10,555,950 18,269,100	*	84,879,975 1,407,917 10,622,000 18,375,100		85,607,802 1,400,820 10,672,050 18,671,100	•	1,455,864 10,698,100 18,921,100
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus * Collection for Other Governments		83,912,008 1,614,878 10,505,900 18,169,100	\$	84,211,921 1,353,638 10,555,950 18,269,100	*	84,879,975 1,407,917 10,622,000 18,375,100	<u> </u>	85,607,802 1,400,820 10,672,050 18,671,100		1,455,864 10,698,100 18,921,100
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus * Collection for Other Governments (* to offset Amortization)		83,912,008 1,614,878 10,505,900 18,169,100	\$	84,211,921 1,353,638 10,555,950 18,269,100	*	84,879,975 1,407,917 10,622,000 18,375,100		85,607,802 1,400,820 10,672,050 18,671,100		1,455,864 10,698,100 18,921,100
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus * Collection for Other Governments (* to offset Amortization) Expenses		83,912,008 1,614,878 10,505,900 18,169,100 114,201,886	\$	84,211,921 1,353,638 10,555,950 18,269,100 114,390,609	*	84,879,975 1,407,917 10,622,000 18,375,100 115,284,992		85,607,802 1,400,820 10,672,050 18,671,100 116,351,772		1,455,864 10,698,100 18,921,100 116,533,036
Revenues Total Revenue Transfer from Reserves Transfer from Accumulated Surplus * Collection for Other Governments (* to offset Amortization) Expenses Total Expenses		83,912,008 1,614,878 10,505,900 18,169,100 114,201,886 62,480,265	\$	84,211,921 1,353,638 10,555,950 18,269,100 114,390,609 63,163,448	*	84,879,975 1,407,917 10,622,000 18,375,100 115,284,992 64,197,854		85,607,802 1,400,820 10,672,050 18,671,100 116,351,772 65,086,418		1,455,864 10,698,100 18,921,100 116,533,036 65,872,120

City of Fort St. John Five Year Financial Plan Bylaw 2455, 2019 SCHEDULE "B"

STATEMENT OF OBJECTIVES & POLICIES

In accordance with Section 165(3.1) of the *Community Charter*, the Municipal Council of the City of Fort St. John is required to include in the Five Year Financial Plan, objectives and policies regarding each of the following:

- a) The proportion of total revenue that is proposed to come from each of the funding sources described in Section 165(7) of the *Community Charter*;
- b) The distribution of property taxes among the property classes; and
- c) The use of permissive tax exemptions.

FUNDING SOURCES

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2019. Property taxes generally form the greatest proportion of revenue. Property taxation is the primary revenue source for the City, with the five year financial plan showing this percentage as low as 38.94% and as high as 39.78%.

User fees and charges form the second largest portion of planned revenue. This revenue source is for services that can be measured and charged on a user pay basis. These services are mainly for water, sewer and solid waste, but also include recreation user fees and items such as building permits, business licenses, and transit.

OBJECTIVES

- Sustainable service levels and funding
- Predictable property taxes and fees
- Maintain physical assets in good state of repair

POLICIES

- The City will review all user fees annually
- The City has implemented Development Cost Charges and will review additional Development Cost Charges
- The City will continue to apply for grant funding to support projects and initiatives
- The City will initiate partnerships and other measures that will diversify revenues in order to provided services and opportunities to the community that may have not otherwise been possible

City of Fort St. John Five Year Financial Plan Bylaw 2455, 2019 SCHEDULE "B"

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property Taxation	38.9%	\$32,772,491.00
Sale of Services	14.3%	\$12,057,302.00
Government Transfers	35.7%	\$30,019,792.00
Interest Income	2.1%	\$1,744,817.00
Other Revenue	9.0%	\$7,569,120.00
TOTAL	100%	\$84,163,522

DISTRIBUTION OF PROPERTY TAX RATES

Table 2 outlines the distribution of property taxes among the property classes. The Business and other class (6) and Residential (1) provide the largest proportion of property tax revenue.

OBJECTIVES

- To maintain tax rate ratios to achieve fairness and equity for all property classes
- Consult with Major Industry with regards to the tax policy

POLICIES

- The City will monitor the shifts in assessments when setting the tax rates so as not to penalize a particular class
- The City will continue formulating a Tax Policy that is fair and equitable for all property classes

City of Fort St. John Five Year Financial Plan Bylaw 2410, 2018 SCHEDULE "B"

Property Class	% of Total Property Taxes	Dollar Value
Residential (1)	41.04%	\$12,000,500
Utilities (2)	0.53%	\$156,000
Major Industrial (4)	2.79%	\$816,000
Light Industrial (5)	1.61%	\$470,000
Business and Other (6)	53.87%	\$15,750,500
Recreation / Non-Profit (8)	0.16%	\$45,900
Farmland (9)	0.00%	\$215
TOTAL	100.0%	\$29,239,115

Table 2: Distribution of Property Taxes

PERMISSIVE TAX EXEMPTIONS

The City updated the permissive tax exemption bylaws in 2018 for the 2019 taxation year. These bylaws provide the approval of permissive tax exemptions and all non-profit organizations who currently receive a tax exemption will have to re-apply in 2019 for 2020-2022 taxation years. Eligibility criteria for permissive tax exemptions in Council's policy may change based on the Community Development Institute's social policy framework report that will be presented to Council in the spring of 2019 for their consideration.

OBJECTIVES

• To annually consider providing permissive tax exemptions on the criteria as outlined in the *Community Charter*

POLICIES

- Guidelines have been established to provide consistent and equal consideration for all applicants
- The City is under no obligation to grant a permissive tax exemption

6