

CITY OF FORT ST. JOHN

BYLAW NO. 2379, 2017

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:

TITLE

1. This Bylaw may be cited for all purposes as "Five Year Financial Plan Bylaw No. 2379, 2017".

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 2017 to 2021 until altered or amended by Council.

READ A FIRST TIME THIS	14 th	DAY OF	February,	2017
READ A SECOND TIME THIS	14 th	DAY OF	February,	2017
READ A THIRD TIME THIS	20 th	DAY OF	February,	2017

ADOPTED THIS 27th DAY OF February, 2017
BY 2/3 MAJORITY OF COUNCIL



LORI ACKERMAN
MAYOR



JANET PRESTLEY, DIRECTOR OF
LEGISLATIVE AND ADMINISTRATIVE
SERVICES

City of Fort St. John
Five Year Financial Plan Bylaw 2379, 2017
Schedule "A"

	2017	2018	2019	2020	2021
REVENUE					
Property Taxation	32,469,430	33,820,743	34,134,854	34,604,150	34,114,128
Sale of Services	11,973,005	12,852,159	13,621,802	14,463,256	14,631,495
Government Transfers	28,707,907	29,425,792	29,970,369	30,532,566	31,184,406
Interest Income	1,329,967	1,266,186	1,315,388	1,362,618	1,378,223
Other Revenue	7,314,918	7,396,780	7,468,580	7,643,313	7,698,164
TOTAL REVENUE	\$ 81,795,227	\$ 84,761,660	\$ 86,510,993	\$ 88,605,903	\$ 89,006,416
EXPENSES					
General Government Services	6,847,415	6,906,440	6,995,390	7,170,900	7,233,943
Environmental Development Parks, Recreation & Cultural	1,830,810	1,834,553	1,864,539	1,868,739	1,876,511
Cemetery	215,085	223,270	229,250	235,908	240,183
Garbage and recycling	649,614	654,428	754,354	663,289	667,335
Protective Services	14,744,844	15,280,061	15,667,634	16,087,859	16,643,978
Transit Services	2,795,000	2,929,000	3,044,000	3,133,000	3,265,600
Transportation Services	5,538,958	5,741,309	5,858,289	5,990,341	6,098,728
Water Utility	3,248,612	3,159,791	3,181,544	3,318,904	3,290,240
Sewer Utility	2,573,058	2,511,532	2,585,890	2,555,849	2,625,266
Amortization Expense	9,066,546	9,203,046	9,339,546	9,476,046	9,593,546
Interest Expense	2,585,516	2,380,485	2,380,485	2,330,085	2,330,085
TOTAL EXPENSES	\$ 61,722,435	\$ 62,671,572	\$ 63,994,866	\$ 65,337,581	\$ 66,468,349
ANNUAL (SURPLUS) DEFICIT	\$ 20,072,792	\$ 22,090,088	\$ 22,516,127	\$ 23,268,322	\$ 22,538,067
RESERVES, CAPITAL AND DEBT					
Transfer from Reserves	(1,413,391)	(1,416,399)	(1,458,852)	(1,460,425)	(1,512,457)
Transfer from Accumulated Surplus	(9,066,546)	(9,203,046)	(9,339,546)	(9,476,046)	(9,593,546)
Transfers to Reserves	30,552,729	32,709,533	33,314,525	34,204,793	33,644,070
TOTAL TRANSFERS IN/OUT	\$ 20,072,792	\$ 22,090,088	\$ 22,516,127	\$ 23,268,322	\$ 22,538,067

City of Fort St. John
Five Year Financial Plan Bylaw 2379, 2017
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 2017. 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 38.33%, and as high as 39.90%.

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

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SCHEDULE "B"

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property Taxation	39.7%	\$ 32,469,430.00
Sale of Services	14.6%	\$ 11,973,005.00
Government Transfers	35.1%	\$ 28,707,907.00
Interest Income	1.6%	\$ 1,329,967.00
Other Revenue	8.9%	\$ 7,314,918.00
Total	100%	\$ 81,795,227

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

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SCHEDULE "B"

Table 2: Distribution of Property Taxes

Property Class	% of Total Property Taxes	Dollar Value
Residential (1)	44.90%	\$ 12,803,916.73
Utilities (2)	0.50%	\$ 133,113.68
Major industrial (4)	3.10%	\$ 875,924.09
Light industrial (5)	1.40%	\$ 384,890.82
Business and other (6)	50.00%	\$ 14,256,856.47
Recreation/Non-Profit (8)	0.10%	\$ 31,206.95
Farmland (9)	0.00%	\$ 161.14
Total	100.0%	\$ 28,486,069.88

PERMISSIVE TAX EXEMPTIONS

The City updated the permissive tax exemption bylaws in 2016 for the 2017 taxation year. These bylaws provide the approval of permissive tax exemptions and the majority of them are for a three year term.

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