

CITY OF FORT ST. JOHN

BYLAW NO. 2410, 2018

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. 2410, 2018".

ENACTMENT

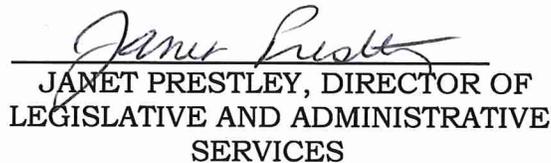
2. THAT, the Five Year Financial Plan hereto annexed and marked as Schedule 'A' and Schedule "B" is hereby approved and authorized and shall stand as the estimates of Revenue and Expenditure for the years 2018 to 2022 until altered or amended by Council.

READ A FIRST TIME THIS	22 nd	DAY OF	January,	2018
READ A SECOND TIME THIS	22 nd	DAY OF	January,	2018
READ A THIRD TIME THIS	22 nd	DAY OF	January,	2018

ADOPTED THIS 26th DAY OF February, 2018
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 2410, 2018
Schedule "A"

	2018	2019	2020	2021	2022
REVENUE	38.18%	37.38%	36.93%	36.75%	36.81%
Property Taxation	\$ 32,143,183	\$ 31,758,832	\$ 31,918,667	\$ 32,375,466	\$ 32,714,262
Sale of Services	\$ 12,259,309	\$ 12,747,956	\$ 13,367,693	\$ 13,856,916	\$ 14,116,559
Government Transfers	\$ 30,338,775	\$ 30,920,036	\$ 31,621,305	\$ 32,292,059	\$ 32,438,999
Interest Income	\$ 1,764,436	\$ 1,792,562	\$ 1,701,568	\$ 1,680,574	\$ 1,712,725
Other Revenue	\$ 7,679,134	\$ 7,731,480	\$ 7,823,323	\$ 7,882,412	\$ 7,881,235
TOTAL REVENUE	\$ 84,184,837	\$ 84,950,866	\$ 86,432,556	\$ 88,087,427	\$ 88,863,780
EXPENSES					
General Government Services	6,121,158	6,161,054	6,277,346	6,326,903	6,445,640
Environmental Development	1,793,231	1,814,253	1,839,663	1,854,938	1,873,256
Parks, Recreation & Cultural	11,613,130	11,642,973	11,813,339	11,950,595	12,110,339
Cemetery	159,774	163,080	166,208	169,626	172,456
Garbage and recycling	672,410	759,283	668,291	672,391	676,497
Protective Services	14,652,418	14,968,695	15,355,708	15,731,489	15,969,230
Transit Services	2,737,000	2,802,000	2,987,000	3,103,000	3,218,000
Transportation Services	5,706,370	5,821,862	5,878,593	5,944,035	6,011,340
Water Utility	2,824,694	2,793,199	2,823,901	2,792,082	2,814,286
Sewer Utility	1,645,556	1,699,550	1,701,538	1,754,059	1,725,382
Amortization Expense	9,203,046	9,339,546	9,461,046	9,564,546	9,624,346
Debt Servicing (Interest & Principle)	4,263,327	4,343,545	4,251,130	4,332,227	4,416,548
TOTAL EXPENSES	\$ 61,392,114	\$ 62,309,040	\$ 63,223,763	\$ 64,195,891	\$ 65,057,320
ANNUAL (SURPLUS) DEFICIT	\$ 22,792,723	\$ 22,641,826	\$ 23,208,793	\$ 23,891,536	\$ 23,806,460
RESERVES, CAPITAL AND DEBT					
Transfer from Reserves	(1,241,925)	(1,286,567)	(1,286,554)	(1,324,278)	(1,324,178)
Transfer from Accumulated Surplus	(9,203,046)	(9,339,546)	(9,461,046)	(9,564,546)	(9,624,346)
Transfers to Reserves	33,237,694	33,267,939	33,956,393	34,780,360	34,754,984
TOTAL EXPENDITURES	\$ 22,792,723	\$ 22,641,826	\$ 23,208,793	\$ 23,891,536	\$ 23,806,460

City of Fort St. John
Five Year Financial Plan Bylaw 2410, 2018
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 2018. 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 36.75%, and as high as 38.18%.

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 2410, 2018
SCHEDULE "B"

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property Taxation	38.2%	\$ 32,143,183.00
Sale of Services	14.6%	\$ 12,259,309.00
Government Transfers	36.0%	\$ 30,338,775.00
Interest Income	2.1%	\$ 1,764,436.00
Other Revenue	9.1%	\$ 7,679,134.00
Total	100%	\$ 84,184,837

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"

Table 2: Distribution of Property Taxes

Property Class	% of Total Property Taxes	Dollar Value
Residential (1)	42.11%	\$ 12,062,455
Utilities (2)	0.50%	\$ 143,082
Major industrial (4)	2.94%	\$ 842,853
Light industrial (5)	1.41%	\$ 403,696
Business and other (6)	52.92%	\$ 15,160,932
Recreation/Non-Profit (8)	0.12%	\$ 33,594
Farmland (9)	0.00%	\$ 214
Total	100.0%	\$ 28,646,826

PERMISSIVE TAX EXEMPTIONS

The City updated the permissive tax exemption bylaws in 2017 for the 2018 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