

CITY OF FORT ST. JOHN

BYLAW NO. 2511, 2020

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. 2511, 2020".

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 2020 to 2024 until altered or amended by Council.

READ THE FIRST THREE TIMES THIS 10th DAY OF February, 2020

ADOPTED THIS 24th DAY OF February, 2020
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 2511,2020

Schedule "A"

	2020	2021	2022	2023	2024	
REVENUE	%	38.23%	38.85%	38.99%	39.70%	40.35%
Property Taxation	\$	32,520,258	\$ 32,805,814	\$ 33,089,198	\$ 33,367,387	\$ 33,644,170
Sale of Services	\$	12,230,271	\$ 12,264,220	\$ 12,391,085	\$ 12,420,808	\$ 12,497,910
Government Transfers	\$	30,025,904	\$ 29,259,153	\$ 29,331,593	\$ 28,859,881	\$ 28,114,750
Interest Income	\$	2,678,557	\$ 2,482,706	\$ 2,378,575	\$ 2,276,235	\$ 2,127,235
Other Revenue	\$	7,608,825	\$ 7,625,680	\$ 7,675,415	\$ 7,134,831	\$ 7,002,879
TOTAL REVENUE	\$	85,063,815	\$ 84,437,573	\$ 84,865,866	\$ 84,059,142	\$ 83,386,944
EXPENSES						
General Government Services		6,921,382	7,069,425	7,196,084	7,273,034	7,377,260
Environmental Development		1,708,289	1,709,638	1,736,385	1,759,802	1,791,756
Parks, Recreation & Cultural		11,610,213	11,620,809	11,724,788	11,901,752	12,077,034
Cemetery		47,933	50,125	52,305	136,311	138,421
Garbage and recycling		746,064	767,393	783,745	790,607	796,982
Protective Services		14,904,857	15,389,937	15,579,908	15,779,786	16,057,935
Transit Services		2,627,000	2,630,000	2,635,500	2,637,500	2,641,000
Transportation Services		6,092,681	6,153,271	6,223,165	6,304,540	6,375,725
Water Utility		3,063,305	3,041,952	3,120,811	3,105,817	3,134,910
Sewer Utility		1,281,905	1,293,443	1,292,464	1,304,656	1,322,222
Amortization Expense		10,555,950	10,622,000	10,672,050	10,698,100	10,724,150
Debt Servicing (Interest & Principle)		3,437,668	3,520,691	3,606,933	3,700,523	2,890,117
TOTAL EXPENSES	\$	62,997,247	\$ 63,868,684	\$ 64,624,138	\$ 65,392,428	\$ 65,327,512
ANNUAL (SURPLUS) DEFICIT	\$	22,066,568	\$ 20,568,889	\$ 20,241,728	\$ 18,666,714	\$ 18,059,432
RESERVES, CAPITAL AND DEBT						
Transfer from Reserves		(1,451,638)	(1,986,644)	(2,194,605)	(3,015,690)	(3,612,178)
Transfer from Accumulated Surplus		(10,555,950)	(10,622,000)	(10,672,050)	(10,698,100)	(10,724,150)
Transfers to Reserves		34,074,156	33,177,533	33,108,383	32,380,504	32,395,760
TOTAL EXPENDITURES	\$	22,066,568	\$ 20,568,889	\$ 20,241,728	\$ 18,666,714	\$ 18,059,432
Revenues						
Total Revenue		85,063,815	84,437,573	84,865,866	84,059,142	83,386,944
Transfer from Reserves		1,451,638	1,986,644	2,194,605	3,015,690	3,612,178
Transfer from Accumulated Surplus *		10,555,950	10,622,000	10,672,050	10,698,100	10,724,150
Collection for Other Governments		18,169,100	18,169,100	18,169,100	18,169,100	18,169,100
		115,240,503	115,215,317	115,901,621	115,942,032	115,892,372
(* to offset Amortization)						
Expenses						
Total Expenses		62,997,247	63,868,684	64,624,138	65,392,428	65,327,512
Transfer to Reserves		34,074,156	33,177,533	33,108,383	32,380,504	32,395,760
Tax Requisitions		18,169,100	18,169,100	18,169,100	18,169,100	18,169,100
		115,240,503	115,215,317	115,901,621	115,942,032	115,892,372

City of Fort St. John
Five Year Financial Plan Bylaw 2511, 2020
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 2020. 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 38.23% and as high as 40.35%.

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 provide services and opportunities to the community that may have not otherwise been possible

**City of Fort St. John
Five Year Financial Plan Bylaw 2511, 2020
SCHEDULE "B"**

Table 1: Sources of Revenue

Revenue Source	% of Total Revenue	Dollar Value
Property Taxation	38.2%	\$32,520,258
Sale of Services	14.4%	\$12,230,271
Government Transfers	35.3%	\$30,025,904
Interest Income	3.2%	\$2,678,557
Other Revenue	8.9%	\$7,608,825
TOTAL	100%	\$85,063,815

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 2511, 2020
SCHEDULE "B"

Table 2: Distribution of Property Taxes

Property Class	% of Total Property Taxes	Dollar Value
Residential (1)	42.15%	\$12,251,212
Utilities (2)	0.65%	\$188,540
Major Industrial (4)	2.70%	\$785,225
Light Industrial (5)	1.74%	\$505,896
Business and Other (6)	52.59%	\$15,284,897
Recreation / Non-Profit (8)	0.17%	\$49,121
Farmland (9)	0.00%	\$220
TOTAL	100.0%	\$29,065,111

PERMISSIVE TAX EXEMPTIONS

The City updated the permissive tax exemption bylaws in 2019 for the 2020 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 apply for a grant-in-aid for the municipal portion of taxes only in 2020 for 2021-2023 taxation years. Additional eligibility criteria for permissive tax exemption grant-in-aid 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 2020 for their consideration.

OBJECTIVES

- To annually consider providing permissive tax exemptions on the criteria as outlined in the *Community Charter* and within the City's Financial Framework Policy.

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